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21 NORTHERN DISTRICT OF CALIFORNIA

22 SAN FRANCISCO DIVISION

23 ORACLE AMERICA, INC.,

24 Plaintiff,

25 v.

26 GOOGLE INC,

27 Defendant.

Case No. CV 10-03561 WHA

**ORACLE AMERICA, INC.'S
MEMORANDUM OF LAW IN
SUPPORT OF DISPUTED JURY
INSTRUCTIONS**

Date: Oct. 7, 2011
Judge: Honorable William H. Alsup
Trial Date: Oct. 31, 2011

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Pursuant to the Court's Guidelines for Trial and Final Pretrial Conference in Civil Jury Cases, Oracle America, Inc. ("Oracle") submits this Memorandum of Law in support of its proposed language for the disputed jury instructions.

I. COPYRIGHT – GENERAL OBJECTIONS

A. The Court Should Determine Copyrightability and Then Instruct the Jury On Copyright Protection

The Court should instruct the jury on the copyrightability of the 37 core API design specifications and the 12 source code files that Google copied. Copyrightability is a question of law for the court. *See Jonathan Browning, Inc. v. Venetian Casino Resort LLC*, No. C 07-03983 JSW, 2009 U.S. Dist. LEXIS 57525, at *2 (N.D. Cal. June 18, 2009) ("Determinations of copyrightability are indeed questions of law reserved for the judge, and not the jury."). The Ninth Circuit has held that the court should determine both copyright protection and its scope. *Apple Computer, Inc. v. Microsoft Corp.*, 35 F.3d 1435, 1443, 1447 (9th Cir. 1994).

However, to the extent there are facts underlying copyrightability these may be for the jury to decide. *See 3-12 Nimmer on Copyright* § 12.10[B][1] ("to the extent that the defendant challenges the quantum of plaintiff's originality or creativity as a matter of law, or urges other such legal challenges to copyright subsistence, these matters should be resolved solely by the judge. But threshold factual determinations in this regard, of course, are for the jury.") In addition, courts in this Circuit recognize that originality is a question of fact. *Dongxiao Yue v. Chordiant Software, Inc.*, No. C-08-00019, 2009 U.S. Dist. LEXIS 118824, at *7 (N.D. Cal. Dec. 21, 2009) ("Whether a work is sufficiently original to warrant copyright protection is a question of fact.") (citing *Dezendorf v. Twentieth Century-Fox Film Corp.*, 99 F.2d 850, 850 (9th Cir. 1938)). When there are no genuine issues of fact, originality may be resolved as a matter of law. *Jacobsen v. Katzer*, No. C 06-01905 JSW, 2009 U.S. Dist. LEXIS 115204, at *9-10 (N.D. Cal. Dec. 10, 2009).

In this case, Google purports to raise several factual issues relating to the copyrightability of the APIs. Google contends, for example, that its copying of the APIs was required by "industry demand." Google's Motion for Summary Judgement (Dkt. 260) at 21. It also tries to

1 justify its copying on the grounds of compatibility (*id.* at 19), even though it does not deny that
2 Android fragmented Java and is incompatible with it. Google is also challenging the originality
3 of the 37 API design specifications that it copied. Oracle does not believe that any of these
4 factual challenges are valid. But the Court should consider this evidence as it relates to
5 copyrightability and originality over the course of the trial, and determine if there are any issues
6 of fact for the jury to determine. Oracle believes the Court will conclude, as a matter of law, that
7 the 37 API design specifications are both original and copyrightable.

8 As described above, the API design specifications set forth a very intricate, and creative
9 design, that contains thousands of different elements and defines the many complex relationships
10 among them. Google cannot raise a serious challenge to the expressive nature of the APIs or their
11 originality. Copyright law protects expression in software design, including the selection and
12 structure of software elements. Courts have recognized the copyrightability of programs with
13 much simpler structures than the Java API design specifications herethan Java. For example, the
14 Tenth Circuit upheld a district court's finding of likelihood of success on copyrightability of the
15 "organization, structure and sequence" of a computer program designed to teach reading skills,
16 including a "keying procedure" that required students to respond by pressing the 1, 2 or 3 keys.
17 *Autoskill, Inc. v. Nat'l Educ. Support Sys., Inc.*, 994 F.2d 1476, 1492, 1495 n.23 (10th Cir. 1993).
18 Similarly, in *CMAX/Cleveland, Inc. v. UCR, Inc.*, 804 F. Supp. 337, 355 (M.D. Ga. 1992), the
19 court held that the file structures for a software program design for companies in the "rent to
20 own" business constituted copyrightable expression. *See also Eng'g Dynamics, Inc. v. Structural*
21 *Software, Inc.*, 26 F.3d 1335, 1345-46 (5th Cir. 1994) (rejecting argument that input data formats
22 in structural engineering software program did not contain original expression because they were
23 purportedly "organized in a particular fashion to effectuate the performance of mathematical
24 calculations"). Certainly the API design specifications reflect a far more complex structure and
25 organization than the software in these cases.

26 Google's main challenge to the copyrightability of the API design specifications was that
27 they are supposedly unprotectable "methods of operation." The Court has already has already
28 rejected this argument on summary judgment, concluding that, "This order finds that the API

1 package specifications at issue are not ‘methods of operation’ under 17 U.S.C. 102(b).” 9/15/11
 2 Summary Judgment Order (Dkt. 433) at 10-11.

3 As for the 12 copied source and object code files, Google has never challenged that these
 4 files are protected by copyright. “Source and object code, the literal components of a program,
 5 are consistently held protected by a copyright on the program.” *Johnson Controls, Inc. v.*
 6 *Phoenix Control Systems, Inc.*, 886 F.2d 1173, 1175 (9th Cir. 1989).

7 Accordingly, at the conclusion of the evidentiary phase of the trial, Oracle will ask the
 8 Court to instruct the jury that the 37 core API design specifications and the 12 source code files
 9 that Google copied are protected by copyright. *See Pivot Point Int’l, Inc. v. Charlene Prods.,*
 10 *Inc.*, 932 F. Supp. 220, 225 (N.D. Ill. 1996) (Easterbrook, C.J., sitting by designation) (“[i]f the
 11 court determines that mannequin heads are copyrightable subject matter, the jury will be so
 12 instructed”). The Court should also instruct the jury on the scope of protection to be afforded to
 13 the copyrighted works – in this case, substantial similarity – and the frame of reference for
 14 comparing the copyrighted works to the infringing works within which they should be compared.

15 **B. Use of the “Java-related works” Instead of “asserted works”**

16 The instructions should refer to the asserted copyrighted works in an appropriate and
 17 consistent way. Oracle proposes that the copyrighted works that Google infringed be identified as
 18 the “Java-related works.” This lawsuit is indisputably about Java. At the outset of this case, this
 19 Court characterized Oracle’s lawsuit against Google as a “**Java**-fueled battle over the Android
 20 platform.” ECF No. 42 (emphasis added). And so it is. There are many registered works that
 21 Google copied from. The 37 core library API design specifications at issue in this suit were
 22 developed over a long period of time, and as they evolved in different versions of the Java
 23 platform and were described in different books, were registered by Sun with the Copyright
 24 Office. To identify the asserted works, as Google does, as “Java 2 Standard Edition versions 1.4
 25 and 5.0 (‘Asserted Works’)” and then as “Java 2 Standard Edition versions” is both inaccurate
 26 and unhelpful. The historical, documentary evidence from both sides refer to the copyrighted
 27 works as “Java.” For example, Google’s Android Developer website states that “Android
 28 includes a set of core libraries that provides most of the functionality available in **the core**

libraries of the Java programming language.” Trial Ex. 833, Android Developer website, available at <http://developer.android.com/guide/basics/what-is-android.html> (emphasis added). Google’s filings with the Court also refer to the works as “Java”: “The specifications for the thirty-seven Java language API packages at issue were published or made available in various forms, including in books and on the Java website, starting in 1996.” ECF No. 260 at 6, Google Inc.’s Notice of Motion and Motion for Summary Judgment on Count VIII of Plaintiff Oracle America’s Amended Complaint (August 1, 2011). But Google’s instructions use the word “Java” only once—and that is when Google repeats the Court’s construction of “reduced class file” from the ’702 patent. Google’s consistent omission of the word “Java” is unhelpful. It will prevent jury confusion to tailor the instructions to refer to the asserted works as the “Java-related works,” and thereby match the language in the evidence the jury will hear.

II. COPYRIGHT – OBJECTIONS TO SPECIFIC INSTRUCTIONS

A. Disputed Jury Instruction No. 1 re Preliminary Instruction – Copyright

The parties agree that the Court should give the jury a preliminary instruction on copyright. The parties also agree that this preliminary instruction should be based on Model Instruction 17.0 Preliminary Instruction — Copyright. The parties’ disputes on this instruction are below.

1. Introductory Paragraph

The competing proposals for the introductory paragraph are not far apart. Both track the Model Instruction. The parties dispute how the copyrighted work should be identified and Google’s insertion of language on its equitable defenses.

Oracle generally identifies the work as the “Java software platform.” Google identifies the work as “Java 2 Standard Edition versions 1.4 and 5.0 (‘Asserted Works’).” This is too narrow, as Oracle identified more than these two works as being infringed through discovery. Oracle submits that its identification will better assist the jury in understanding what is at issue in this case. Google’s shorthand of “Asserted Works” to mean “Java 2 Standard Edition versions” is unhelpful in this regard. It does not adequately frame the copyright dispute. Indeed, the

1 historical, documentary evidence from both sides refer to the copyrighted work as “Java.”

2 Accordingly, the jury instructions should be tailored to the evidence the jury will hear.

3 Oracle objects to Google’s language flagging all of its equitable defenses, “that its use of
4 the work was justified given Oracle’s past statements and actions.” As discussed above and
5 below, equitable defenses are for the Court to decide. *See supra* Equitable Defenses Are For The
6 Court To Decide *and infra* discussion on disputed instructions for Equitable Estoppel, Laches,
7 Waiver, and Implied License.

8 **2. Google Improperly Omits “Display” As Exclusive Rights of Copyright**

9 Under the “Definition of Copyright” section, Oracle objects to Google’s deletion of
10 “display” as an exclusive right held by the copyright owner. *See* 17 U.S.C. § 106(5) (stating
11 public display of literary work is an exclusive right in copyrighted works). Moreover, “display”
12 is in the Model Instruction, which Oracle’s proposed instruction closely tracks. NINTH CIRCUIT
13 MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.0 (2007) (“The owner of a copyright has
14 the right to exclude any other person from reproducing, preparing derivative works, distributing,
15 performing, *displaying*, or using the work covered by copyright for a specific period of time.”)
16 (emphasis added). Oracle submits that Google’s omission is material and that the jury would be
17 best advised as to “display,” which is at issue in this case. Google displays infringing copied
18 material on a website it controls.

19 **3. Oracle’s Additions To the “Definition of Copyright” Are Proper,** 20 **Whereas Google’s Additions Are Not**

21 Oracle’s two material additions to the “Definition of Copyright” section are proper. First,
22 Oracle adds “computer code, or elements of computer software” to the second sentence of the
23 model language. This will help the jury. It is tailored to the issues in this case, as well as an
24 accurate statement of the law. *See Merch. Transaction Sys., Inc. v. Nelcela, Inc.*, No. CV 02-
25 1954-PHX-MHM, 2009 U.S. Dist. LEXIS 25663, at *29 (D. Ariz. Mar. 17, 2009) (“[Copyright]
26 protection extends not only to the ‘literal’ elements of computer software — the source code and
27 object code — but also to a program’s nonliteral elements, including its structure, sequence,
28 organization, user interface, screen displays and menu structures.”).

1 Second, Oracle adds to the last paragraph of the “Definition of Copyright” section:

2 The level of originality required to grant copyright protection is
3 minimal, however. In copyright law, the “original element” of a
4 work need not be new or novel. Copyright law will protect an
original element of a work as long as it does not utterly lack
creativity.

5 Because originality for copyright protection is a hotly contested issue, this short explanation on
6 originality will assist the jury as it sifts through the evidence the parties will present. Moreover,
7 Oracle’s proposed explanation tracks Model Instruction 17.12 on originality and controlling
8 precedent. NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.12 (2007)
9 (stating “the ‘original element’ of a work need not be new or novel” and second factor for
10 originality requires “at least some minimal creativity.”); *Feist Publ’ns, Inc. v. Rural Tel. Serv.*
11 *Co.*, 499 U.S. 340, 359 (1991) (holding that copyright protection is unavailable to “a narrow
12 category of works in which the creative spark is utterly lacking or so trivial as to be virtually
13 nonexistent”).

14 In the third paragraph of the “Definition of Copyright” section, Oracle objects to Google’s
15 language of “names and functional requirements.” This addition is not part of the Model
16 Instruction’s list of statutory factors on not copyrightable subject matter. *See* NINTH CIRCUIT
17 MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.0 (2007); 17 U.S.C. § 102(b). Moreover,
18 the Court has previously stated that, even if something is not subject to copyright, it is not
19 automatically and totally exempt from copyrightability.

20 Second, Google’s blanket message that “functional requirements” are not copyrightable is
21 incorrect. Google invites to jury to conclude that most or all computer programs are not
22 protectable simply because of their utilitarian features. Google’s categorical approach is legal
23 error. *See infra* Disputed Jury Instruction No. 9 re Copyright – Subject Matter – Functional
24 Requirements.

25 Third, whether names are subject to copyright is addressed in its own separate jury
26 instruction. *See infra* Disputed Jury Instruction No. 13 re Copyright – Subject Matter – Selection,
27 Arrangement of Names. The Court has already held that the selection and arrangement of the
28 names in the Java API specifications may be copyrightable, and there is an instruction that

describes when that is the case. *See* ECF No. 433 at 8, Order Partially Granting and Partially Denying Defendant’s Motion for Summary Judgment on Copyright Claim (September 15, 2011). Thus, it is misleading to have a preliminary instruction that simply says “names” are not copyrightable without including this context. In sum, Google’s language of “names and functional requirements” within the third paragraph should be denied.

4. The Jury Should Be Informed of Oracle’s Registered Copyrights and the Presumption of Validity

Under the “How Copyright is Obtained” section, Oracle objects to Google’s deletion of the third sentence of the Model Instruction, which begins with “After examination and a determination that the material deposited constitutes copyrightable subject matter” NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.0 (2007). This model language will aid the jury in understanding the process for obtaining a copyright registration. It provides helpful background that is neither misleading nor unnecessary.

Oracle also objects to Google’s language again flagging all of its equitable defenses, “Oracle is bound by Sun’s actions, inaction and prior statements.” As discussed above and below, equitable defenses are for the Court to decide. *See supra* Equitable Defenses Are For The Court To Decide *and infra* discussion on disputed instructions for Equitable Estoppel, Laches, Waiver, and Implied License.

Due to the model language on copyright registration, the “How Copyright is Obtained” section is the best place to introduce the jury to Oracle’s federal registration of the Java-related copyrights and the presumption of validity that results from such registration. Inclusion of Oracle’s additional paragraph on both points properly frames the parties’ respective burdens on the disputed originality issue. *Bibbero Sys., Inc. v. Colwell Sys. Inc.*, 893 F.2d 1104, 1106 (9th Cir. 1990) (“In judicial proceedings, a certificate of copyright registration constitutes *prima facie* evidence of copyrightability and shifts the burden to the defendant to demonstrate why the copyright is not valid.”); *Swirsky v. Carey*, 376 F.3d 841, 851 (9th Cir. 2004) (“Because *One* has a valid certificate of registration with the copyright office, however, Swirsky is entitled to a presumption of originality.”). The jury will benefit from a preliminary instruction on the

1 presumption of validity and how it operates on Oracle's copyright claims. This is especially true
 2 where the case also involves patents and a presumption of patent validity from that intellectual
 3 property regime.

4 **5. Google's Inclusion Of Language That Oracle Is Bound By Sun's**
 5 **Actions And Conduct Is Improper.**

6 The parties agree that the Court's instructions should provide a background on how Sun
 7 Microsystems, Inc. became Oracle America, Inc. through a merger and acquisition. The parties
 8 also agree that these two companies are the same legal entity. However, Oracle opposes Google's
 9 proposal to add language instructing the jury that Oracle is bound by Sun's actions, inactions, and
 10 prior statements to the liability instructions, as this principle is only relevant to the Court's
 11 consideration of Google's equitable defenses.

12 The Court should deny Google's proposed language because it is irrelevant to the issues
 13 the jury will be tasked to resolve in this case. An entity's actions, inactions, and prior statements
 14 are most applicable to an affirmative defense of equitable estoppel. *See e.g., A.C. Aukerman Co.*
 15 *v. R. L. Chaides Constr. Co.*, 960 F.2d 1020, 1028 (Fed. Cir. 1992) (en banc) (considering
 16 patentee's "specific statements, action, inaction, or silence where there was an obligation to
 17 speak" in equitable estoppel inquiry). Also, an entity's inaction could be applicable to an
 18 affirmative defense of laches. *See id.* (considering "patentee's delay in bringing suit" in laches
 19 inquiry). As discussed, equitable estoppel and laches are equitable defenses "committed to the
 20 sound discretion of the trial judge." *Id.* Therefore, there is no reason the jury must consider
 21 Sun's actions, inactions, and prior statements as part of the case.

22 Nevertheless, if the court finds that the jury should offer advisory opinions on Google's
 23 affirmative defenses of equitable estoppel and laches, Oracle requests that the Court instruct the
 24 jury that Oracle is "bound" by Sun's statements and conduct only to the extent Google satisfies
 25 the elements of those defenses. Specifically, Oracle proposes the following language: "Oracle is
 26 bound by the prior actions, inactions, and prior statements of Sun only to the extent that Google
 27 proves by a preponderance of the evidence the defenses of laches or estoppel." Without this
 28 clarification, the jury is likely to improperly overemphasize the significance of Sun's conduct in

determining the factual issues in this case. Oracle would be prejudiced if the Court allowed facts regarding Sun's conduct to influence the jury's determination on these factual issues.

Accordingly, the Court should deny Google's proposal to add language regarding how Sun's previous conducts should bind Oracle.

6. Google's Miscellaneous Modifications are Improper

On the "Plaintiff's Burden of Proof" section, Oracle objects to Google's statement that there are "11 code files" at issue. In fact, there are twelve disputed code files. *See* ECF No. 433 at 5, Order Partially Granting and Partially Denying Defendant's Motion for Summary Judgment on Copyright Claim (September 15, 2011).

On the "Proof of Copying" section, Oracle objects to Google's additional language on virtually identical copying. *See infra* discussion on Disputed Jury Instruction No. 6 re Copyright — Definition of Copyright, Virtually Identical Copying Is Not the Standard to Analyze Google's Copying. Instead of Google's language, the Court should use Oracle's proposed instruction, which tracks the Model Instruction.

On the "Liability for Infringement" section, Oracle objects to Google's repeated insertion of "original, protectable elements." None are included in the same section of the Model Instruction. NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.0 (2007). Moreover, each side's copyright instructions as a whole are adequate to explain what copyright law does and does not protect. There is no need to raise that here. This preliminary instruction is meant to be a general sketch of copyright law.

On the "Defenses to Infringement" section, Oracle objects to Google's language saying in absolute terms that "[t]here is no copyright infringement, for example, if Google copied unprotected or unoriginal elements of the copyrighted work." Oracle objects to this blanket proclamation because it is misleading. The jury may mistakenly believe that Google's copying of unprotected elements absolves it from unlawful copying of protected elements. Thus, Google's language should be modified to state there is no copyright infringement "if Google *only* copied unprotected or unoriginal elements of the copyrighted work." Oracle also objects to Google's statement that there is no copyright infringement "if Google made a fair use of a copyrighted

work.” This is legally incorrect. *See Sega Enters. Ltd. v. Accolade, Inc.*, 977 F.2d 1510, 1521 (9th Cir. 1992) (“Section 107 [on fair use], by contrast, establishes a defense to an otherwise valid claim of copyright infringement. It provides that particular instances of copying that otherwise would be actionable are lawful, and sets forth the factors to be considered in determining whether the defense applies.”).

B. Disputed Jury Instruction No. 6 re Copyright – Definition of Copyright

The parties agree that the Court should give the jury an instruction on the definition of a copyright. The parties also agree that this instruction should be based on Model Instruction 17.1 Copyright — Defined. The parties’ disputes on this instruction are below.

1. Transforming and Adapting the Copyrighted Work Is a Derivative Work

Model Instruction 17.1 lists specific, exclusive rights that flow from the copyright owner’s exclusive right to copy. Oracle objects to Google’s deletion of “transform, adapt the work” from the model language on the exclusive right to prepare derivative works. Including this phrase will help the jury to understand the abstract concept of “derivative works” based on the copyrighted work. For this reason, Oracle’s instruction (which closely tracks the Model Instruction) is better suited to educating the jury as to their charge. Moreover, Google keeps the model language of “recasting, transforming or adapting” in its proposed substantive instruction on Copyright Interests — Derivative Work. Thus, inclusion of “transform, adapt the work” in the general instruction on copyright definition would be consistent with Google’s proposed specific instruction on derivative works.

2. The Jury Should Be Informed That the “Exclusive” Rights to Copy Are Not Mutually Exclusive

Oracle proposed instruction adds two sentences: “‘Copying’ or ‘infringement’ of a copyright refers to one or more of the various activities that violate any of the copyright owner’s exclusive rights. A product can infringe a copyright in more than one way.” The jury should hear this. Both sentences clarify for the jury the relevant nature of a copyright owner’s exclusive rights. Both points are also legally sound. *See NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL* No. 17.4 Comment (2007) (“The Ninth Circuit considers the word

‘copying’ as ‘shorthand’ for the various activities that may infringe ‘any of the copyright owner’s . . . exclusive rights described at 17 U.S.C. § 106.’ *S.O.S., Inc., v. Payday, Inc.*, 886 F.2d 1081, 1085 n.3 (9th Cir. 1989).”) (ellipses in Comment); H.R. Rep. No. 94-1476, at 21 (1976) (“Rights of Reproduction, Adaptation, and Publication. The first three clauses of section 106, which cover all rights under a copyright except those of performance and display, extend to every kind of copyrighted work. The exclusive rights encompassed by these clauses, though closely related, are independent; they can generally be characterized as rights of copying, recording, adaptation, and publishing. *A single act of infringement may violate all of these rights at once, as where a publisher reproduces, adapts, and sells copies of a person’s copyrighted work as part of a publishing venture.*”) (emphasis added).

3. **Virtually Identical Copying Is Not the Proper Infringement Standard To Analyze Google’s Copying**

Oracle objects to Google’s material changes on the third to last sentence of the Model Instruction, which reads: “In general, copyright law protects against [production] [adaptation] [distribution] [performance] [display] of substantially similar copies of the owner’s copyrighted work without the owner’s permission.” NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.1 (2007).

First, Oracle objects to Google’s insertion of “virtually identical” copying as an applicable standard for determining whether the latter infringed Oracle’s copyrights. The Court has already held

Because Google has not proven that a substantial portion of the specifications [are] unprotected, Google’s justification for applying the virtual identity standard fails.

See ECF No. 433 at 11, Order Partially Granting and Partially Denying Defendant’s Motion for Summary Judgment on Copyright Claim (September 15, 2011). Thus, Google’s inclusion of virtually identical copying improperly instructs the jury to consider a higher legal standard than is actually applicable. Its proposed instruction will confuse and mislead the jury.

As between substantially similar versus virtually identical copying, the Court should determine which legal standard the jury will apply to the different portions of Oracle’s

1 copyrighted works that Google copied and derived from. This is true based on Google's case law
 2 regarding virtual identity from the copyright originality instruction. *See Apple Computer, Inc. v.*
 3 *Microsoft Corp.*, 35 F.3d 1435, 1443 (9th Cir. 1994) ("Having dissected the alleged similarities
 4 and considered the range of possible expression, the court must define the scope of the plaintiff's
 5 copyright — that is, decide whether the work is entitled to 'broad' or 'thin' protection.");
 6 *Satava v. Lowry*, 323 F.3d 805, 812 (9th Cir. 2003) (in reversing preliminary injunction, holding
 7 as matter of law that plaintiff "possesses a thin copyright that protects against only virtually
 8 identical copying").

9 Second, Oracle objects to Google's deletion of "production" and "adaptation" from the
 10 third to last sentence of Model Instruction 17.1. Unlawful production or adaptation of
 11 substantially similar copies is important to proving copyright infringement. Otherwise,
 12 substantially similar copying would be unduly restricted, because the jury may incorrectly believe
 13 that copyright law only protects against identical reproductions.

14 **4. The Copyright Owner Retains Rights to Copied Work**

15 Oracle objects to Google's deletion of the last sentence from the Model Instruction:
 16 "Even though one may acquire a copy of the copyrighted work, the copyright owner retains rights
 17 and control of that copy, including uses that may result in additional copies or alterations of the
 18 work." NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.1 (2007). This
 19 language is relevant to the case and would help the jury to understand the extent of Oracle's
 20 legally authorized right to exclusively control its copyrighted works.

21 **C. Disputed Jury Instruction No. 7 re Copyright- Subject Matter Generally**

22 **1. "Computer Programs" Is An Inadequate Description of the Java- 23 Related Copyrights**

24 In accordance with Model Instruction 17.2, Oracle proposes to identify the copyrighted
 25 works at issue in this case: "the Java software platform, the Java core API package specifications,
 26 Java class libraries, and Java source code files." After describing how these elements constitute
 27 literary works or computer programs, Oracle proposes to add language further identifying what it
 28 has accused Google of copying: "Specifically, Oracle contends that Google has infringed the

1 Java-related works by copying 37 core library API design specifications and by creating
 2 derivative works from those designs by implementing them in Android API specifications and
 3 core libraries. In addition, Oracle accuses Google of copying 12 software code files.” This text
 4 provides context to enable the jury to apply the court’s instructions to the specific copying claims
 5 at issue.

6 Google’s proposal, which mentions only “computer programs,” implicitly excludes the
 7 API specifications Oracle alleges that Google copied. The 37 core library API design
 8 specifications are not “programs.” Google’s proposal thus unfairly limits Oracle’s claims.

9 Relatedly, Oracle also proposes to explain that the Java-related works at issue are literary
 10 works and computer programs, largely following the language of Model Instruction 17.2.
 11 Describing literary works and computer programs will allow jurors to see how software and
 12 documentation fit with other familiar types of copyrighted products. Oracle proposes adding
 13 “disks or compilations of data, and computer databases” to the list of items in Model Instruction
 14 17.2. The Comment to this instruction includes Oracle’s proposed additions:

15 [T]he term ‘literary works’ “does not connote any criterion of
 16 literary merit or qualitative value: it includes catalogs, directories
 17 and similar factual, reference, or instructional works and
 18 *compilations of data*. It also includes *computer data bases*, and
 computer programs to the extent that they incorporate authorship
 in the programmer’s expression of original ideas, as distinguished
 from the ideas themselves.”

19 (quoting H.R. Rep. No. 94-1476, at 54 (1976)) (emphasis added). Including the examples of
 20 “compilations of data and computer databases” will illustrate that copyright may protect
 21 computer-related products analogous to Oracle’s API specifications. The fact that the drafters
 22 included these examples in the Model Instructions indicates that the scope of “literary works”
 23 may not be obvious without explanation.

24 **2. Copyright May Protect Both Literal and Nonliteral Elements Of** 25 **Computer Programs**

26 The parties dispute how to describe the applicable level of copyright protection. Google
 27 lists numerous categories of things not protected by copyright: “any idea, procedure, process,
 28

1 system, method of operation, concept, name, or functional requirement.” But Google departs
 2 from Model Instruction 17.2 by avoiding any mention that literary works or computer programs,
 3 let alone the specific works in this case, can be protected by copyright law. Without some
 4 instruction to the contrary, a jury might mistakenly believe that copyright does not protect
 5 software.

6 Oracle’s proposed instruction that “[c]omputer programs are expressly subject to
 7 copyright protection by law” is a well-settled principle. *See, e.g., Sega Enters. Ltd. v. Accolade,*
 8 *Inc.*, 977 F.2d 1510, 1519 (9th Cir. 1992) (“the 1980 amendments to the Copyright Act
 9 unambiguously extended copyright protection to computer programs.”) (citing Pub.L. 96-517,
 10 sec. 10, 94 Stat. 3028 (1980) (codified at 17 U.S.C. §§ 101, 117)). Oracle’s proposed addition to
 11 the Model clarifies further: “Copyright protection also extends to the source code, object code,
 12 and other elements of computer software, such as structure, sequence, organization, user
 13 interface, screen displays, and menu structures.” *See Merch. Transaction Sys., Inc. v. Nelcela,*
 14 *Inc.* No. CV 02-1954-PHX-MHM, 2009 U.S. Dist. LEXIS 25663, at *29 (D. Ariz. Mar. 17, 2009)
 15 (“[Copyright] protection extends not only to the ‘literal’ elements of computer software – the
 16 source code and object code – but also to a program’s nonliteral elements, including its structure,
 17 sequence, organization, user interface, screen displays and menu structures.”) (quoting *Gen.*
 18 *Universal Sys., Inc. v. Lee*, 379 F.3d 131, 142 (5th Cir. 2004)). Because much of this case
 19 concerns nonliteral elements, and the scope of protection for such elements may not be obvious to
 20 jurors, Oracle requests that that Court include its proposed language in the jury instruction.

21 The other language Google seeks to add limiting copyright protection for software is
 22 either redundant or misleading. Google’s paragraph that begins “copyright protection only
 23 extends to elements of computer programs that incorporate material that is original and creative”
 24 is redundant with Disputed Jury Instruction No. 12 concerning originality. Discussing originality
 25 in multiple instructions risks inconsistency and juror confusion.

26 Google’s proposed language that copyright does not extend to any “name, or functional
 27 requirement” inaccurately states the law, as does Google’s language regarding “[w]ords and short
 28 phrases such as names, titles, and slogans, including the names of the Java language API files,

1 packages, classes, and methods.” Even if individual names are uncopyrightable, this Court has
 2 “not foreclose[d] the possibility that the selection or arrangement of those names is subject to
 3 copyright protection.” ECF No. 433 at 8, Order Partially Granting and Partially Denying
 4 Defendant’s Motion for Summary Judgment on Copyright Claim (September 15, 2011).
 5 Disputed Jury Instruction No. 13 also addresses the selection and arrangement names and thus
 6 renders discussion here redundant. Finally, discussing functional requirements, without
 7 distinguishing between the requirements in the abstract and a work expressing the requirements,
 8 invites further confusion.

9 **D. Disputed Jury Instruction No. 8 re Copyright- Subject Matter – Ideas and**
 10 **Expression**

11 There are four issues in dispute. First, Oracle objects to the final sentence of Google’s
 12 first paragraph: “In order to protect any ideas in the work from being copied, the author must
 13 secure some other form of legal protection, *such as a patent*, because ideas cannot be
 14 copyrighted.” (emphasis added). This sentence is optional in Model Instruction 17.3, but the text
 15 “such as a patent” is not present in the Model. Mentioning patents in this instruction, without
 16 further discussion, may confuse the jury into thinking that patent protection is somehow superior
 17 to copyright protection. Copyright is not a second-class intellectual property right. Patents and
 18 copyrights simply protect different subject matter. Having separate instructions on patents and
 19 copyrights will help prevent the jury from inappropriately importing concepts from one body of
 20 law into the other.

21 Second, Oracle proposes to add text to the first paragraph to distinguish between an
 22 unprotectable idea and a written work that expresses or describes that idea. Oracle’s proposed
 23 language is consistent with this Court’s summary judgment order and with Ninth Circuit law. *See*
 24 ECF No. 433 at 11 (“Even if Google could show that APIs are methods of operation, that would
 25 not mean that a written work that describes or embodies APIs is automatically exempt from
 26 copyright protection.”); *Johnson Controls, Inc. v. Phoenix Control Sys., Inc.*, 886 F.2d 1173,
 27 1175 (9th Cir. 1989) (“Whether a particular component of a program is protected by a copyright
 28 depends on whether it qualifies as an ‘expression’ of an idea, rather than the idea itself.”). Oracle

1 submits that its proposed language will help to explain a distinction that may not be obvious,
2 given that all software contains “methods” and “processes.”

3 Next, Oracle objects to Google’s paragraph defining “method of operation.” The Ninth
4 Circuit has not adopted the analytical approach of the case from which Google obtained its
5 definition. “We think that ‘method of operation,’ as that term is used in § 102(b), refers to the
6 means by which a person operates something, whether it be a car, a food processor, or a
7 computer.” *Lotus Dev. Corp. v. Borland Int’l, Inc.*, 49 F.3d 807 (1st Cir. 1995) , *aff’d by an*
8 *evenly divided court*, 516 U.S. 233 (1996). The *Lotus* court’s definition of a method of operation
9 is confusingly close to the definition of a computer program under the Copyright Act, which “is a
10 set of statements or instructions to be used directly or indirectly in a computer in order to bring
11 about a certain result.” 17 U.S.C. § 101. Adopting Google’s language—particularly without
12 expressly acknowledging that copyright law protects the literal and nonliteral elements of
13 computer programs—may lead the jury to infer incorrectly that copyright does not generally
14 protect software at all. Moreover, Google’s statement that “a method of operation is not
15 protectable” is redundant. The parties have agreed to text in the opening paragraph of this
16 instruction indicating that copyright does not protect methods of operation.

17 Finally, both sides’ proposals acknowledge that the 37 API design specifications at issue
18 are not methods of operation. *See* ECF No. 433 at 11. Oracle follows this idea with: “therefore
19 this is not a basis for finding that these API design specifications are not copyrightable.” The jury
20 can put Oracle’s explanation to immediate use. Google’s proposal, by contrast, states: “By ‘API
21 package specifications,’ I refer to the written documentation for the APIs that describe the APIs.
22 I have not decided whether the APIs are methods of operation.” Google’s proposed language will
23 confuse the jury for at least two reasons. First, it is unclear what the jury should do with this
24 information. If the question of whether APIs are methods of operation is undecided, then the jury
25 cannot tell whether they are copyrightable. More fundamentally, Google’s language defines “API
26 package specifications” in terms of APIs, but it does not define what an API is. Oracle submits
27 that to avoid confusion, this portion of the instruction should focus on API *specifications*, and
28 nothing else.

E. Disputed Jury Instruction No. 9 re Copyright- Subject Matter – Functional Requirements

Oracle objects to Google’s proposed instruction on functional requirements because it inaccurately states the law, is made redundant by other instructions. The thrust of Google’s proposed instruction is that computer programs are inherently less worthy of copyright protection than other works, but the case Google cites for its instruction does not support its argument. Google omits key context from *Sega v. Accolade*:

Computer programs pose unique problems for the application of the “idea/expression distinction” that determines the extent of copyright protection. *To the extent that there are many possible ways of accomplishing a given task or fulfilling a particular market demand, the programmer’s choice of program structure and design may be highly creative and idiosyncratic.* However, computer programs are, in essence, utilitarian articles—articles that accomplish tasks. As such, they contain many logical, structural, and visual display elements that are dictated by the function to be performed, by considerations of efficiency, or by external factors such as compatibility requirements and industry demands.

Sega Enters. Ltd. v. Accolade, Inc., 977 F.2d 1510, 1524 (9th Cir. 1992) (emphasis added).

Google’s instruction is also inconsistent with the copyright statute, which explicitly covers a “computer program.” 17 U.S.C. § 101. “[T]he 1980 amendments to the Copyright Act unambiguously extended copyright protection to computer programs.” *Sega*, 977 F.2d at 1519 (citing Pub.L. 96-517, sec. 10, 94 Stat. 3028 (1980) (codified at 17 U.S.C. §§ 101, 117)).

Google invites the jury to conclude that most or all programs are, “in essence,” not protectable, even though the number of “possible ways of accomplishing a given task” varies widely between programs. Google’s categorical approach is legally erroneous. “The copyright status of the written rules for a game or a system for the operation of a machine is unaffected by the fact that those rules direct the actions of those who play the game or carry out the process. Nor has copyright been denied to works simply because of their utilitarian aspects.” *Apple Computer, Inc. v. Formula Int’l Inc.*, 725 F.2d 521, 524 (9th Cir. 1984) (quoting Final Report of the National Commission on New Technological Uses of Copyright Works (CONTU) at 21). This Court’s summary judgment ruling outlined a proper approach for Google and the jury. “If Google believes, for example, that a particular method declaration is a *scene a faire* or is the only

possible way to express a given function, then Google should provide evidence and argument supporting its views as to that method declaration.” ECF No. 433 at 9, Order Partially Granting and Partially Denying Defendant’s Motion for Summary Judgment on Copyright Claim (September 15, 2011).

The proposed instruction is also redundant. The parties have submitted disputed instructions on ideas and expression that include at least seven separate categories of items that copyright does not protect. *See* Disputed Jury Instruction No. 8 (“Copyright law does not give the copyright owner the right to prevent others from copying or using the underlying ideas contained in the work, such as any procedures, processes, systems, methods of operation, concepts, principles or discoveries.”). Google has submitted *additional* proposed instructions on merger and *scenes a faire*. *Compare* Google Proposed Jury Instruction No. 9 (“Copyright also does not protect any expressive elements of the work that must necessarily be used in order to express the functional concepts”) *with* Google Proposed Jury Instruction No. 23 (“A defendant may copy a copyrighted work if there is only one way or only a few ways of expressing the ideas or other unprotected matter in a work.”) Because further discussion here would not aid the jury’s understanding but would unfairly prejudice Oracle, the Court should reject Google’s attempt to categorically limit copyright protection for programs with no regard to their content.

F. Disputed Jury Instruction No. 10 re Copyright – Elements – Ownership and Copying

1. Oracle is the owner of valid copyrights.

This instruction lays out the two-element test of proving copyright infringement. Oracle contends that first element of this test – that “Oracle is the owner of a valid copyright” – will have been satisfied and that the Court should so instruct the jury. First, Oracle’s ownership of the copyrights is undisputed. The parties have stipulated that Sun registered with the U.S. Copyright Office Java 2 Standard Edition Versions 1.4 and 5.0. Oracle will submit registration certificates for all major revisions of the Java-related works. The validity of the registrations is a matter for the Court, to which Oracle is entitled a presumption. *See* 17 U.S.C. 410(c) (“In any judicial proceedings the certificate of a registration made before or within five years after first publication

1 of the work shall constitute prima facie evidence of the validity of the copyright and of the facts
 2 stated in the certificate.”). Thus, there is no real dispute that Sun—now Oracle America—owns a
 3 valid copyright in these works. To aid the jury in its charge, Oracle contends that the Court
 4 should instruct the jury that the first prong has been satisfied – that Oracle owns valid copyrights
 5 in the works at issue – and that the jury’s duty is to determine the second prong: whether Google
 6 copied original elements from the copyrighted work..

7 **2. Google is Directly Liable for the Resulting Copying by Others.**

8 Next, Oracle proposes to add a sentence to instruct that Google may directly infringe even
 9 though many Android devices are manufactured—and many downstream acts of copying occur—
 10 overseas: “If Google infringed Oracle’s copyright in the United States, Google is also liable to the
 11 extent it earned profits because its infringement resulted in further copying by others – regardless
 12 of where that further copying occurred.” This sentence is adapted from the holding of *L.A. News*
 13 *Serv. v. Reuters Tel. Int’l, Ltd.*, 149 F.3d 987, 992 (9th Cir. 1998) (“A plaintiff’s right to damages
 14 is limited to those suffered during the statutory period for bringing claims, regardless of where
 15 they may have been incurred. We therefore hold that LANS is entitled to recover damages
 16 flowing from exploitation abroad of the domestic acts of infringement committed by
 17 defendants.”) Because U.S. law generally governs conduct only within the United States, it
 18 would not be obvious to a jury that Google can be legally and directly responsible for others’
 19 overseas copying. Oracle’s proposed language thus prevents juror confusion. This sentence is
 20 important because it clarifies that an infringer can be *directly* liable for the resulting copying by
 21 others, apart from proving indirect infringement. This concept is not automatically obvious to a
 22 layperson, it is good law, and it is directly relevant to the facts of this case. The jury should be
 23 informed of this aspect of direct infringement.

24 **3. Google’s Proposed Language Addresses “Protected” Elements In An** 25 **Imbalanced, Incomplete and Unnecessary Way.**

26 The third point of dispute is that Google seeks to require the copying of “protected” or
 27 “protectable” elements to find infringement. Google’s proposal departs from Model Instruction
 28 17.4 and provides an imbalanced treatment of “protected” and “unprotected” elements. Whether

copyright law protects specific elements of a work is better addressed in separate instructions on the relevant limiting doctrines. The parties' instructions on ideas and expression, merger, and *scenes a faire* provide helpful context. Instructing the jury that they must only look at "protected" or "protectable" elements, without any instruction on what is protected, is likely to cause confusion. The jury may even question the significance of using "protected" and "protectable" instead of a single term. This language should not be included.

4. Google's Discussion of Defenses is Incorrect As a Matter of Law and Better Addressed in the Defense Instructions.

Finally, Oracle objects to the fact that Google conditions infringement on finding that Google's defenses do not apply: "If you find that Oracle has proved both of these elements, your verdict should be for Oracle, *unless you determine that one or more of Google's asserted defenses applies.*" This language appears in neither Model Instruction 17.4 nor in 17 U.S.C. § 501(a)-(b). It is also misleading. Some of Google's defenses, if proven true, may negate infringement, while others would merely limit available remedies. Because Google's proposed language fails to capture this nuance, Oracle submits that Google's asserted defenses are better discussed in other instructions.

G. Disputed Jury Instruction No. 11 re Copyright – Registration With the Copyright Office.

The Model Instructions do not contain a proposed instruction regarding the presumption of validity for a registered copyright. Because, however, Oracle's copyright claims concern registered copyrights, the jury would benefit from this instruction clarifying the nature of registered copyrights and the presumptions and burdens that arise from it.

The first paragraph of Oracle's proposed instruction is taken verbatim from the Model Instructions. NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.0 (2007). These instructions clearly explain the procedure for registering a copyright and should therefore be adopted. Google's argument that this instruction is misleading is unfounded. Computer programs are copyrightable subject matter and while Google may present arguments as to the validity of Oracle's copyrights, there is no question that they cover copyrightable subject matter. *See generally*, 17 U.S.C. §§ 101, 117.

Registered copyrights enjoy a presumption of validity. *Swirsky v. Carey*, 376 F.3d 841, 851 (9th Cir. 2004) (“Because [the work] has a valid certificate of registration with the copyright office... [plaintiff] is entitled to a presumption of originality.”) This presumption of validity shifts the burden to the defendant to demonstrate that the copyright is not valid. *Bibbero Sys., Inc. v. Colwell Sys., Inc.*, 893 F.2d 1104, 1106 (9th Cir. 1990) (“In judicial proceedings, a certificate of copyright registration constitutes *prima facie* evidence of copyrightability and shifts the burden to the defendant to demonstrate why the copyright is not valid.”). This presumption applies to registered copyrights covering software, shifting the burden onto the defendant to overcome the presumption of validity. *Apple Computer, Inc. v. Formula Int’l, Inc.*, 725 F.2d 521, 523 (9th Cir. 1984) (“Under the Copyright Act, Apple’s certificates of copyright registration constitute *prima facie* evidence of the validity of Apple’s copyrights, 17 U.S.C. § 410(c), and Formula has the burden of overcoming the presumption of validity.”).

Because Oracle’s copyrights have been registered, they benefit from a presumption of validity. *See Swirsky*, 376 F.3d at 851. This *prima facie* evidence of the validity of Oracle’s copyrights shifts the burden to Google demonstrate that Oracle’s copyrights are not valid. *See Bibbero*, 893 F.2d at 1106; *Apple Computer, Inc. v. Formula Int’l Inc.*, 725 F.2d 521, 523 (9th Cir. 1984). Oracle’s proposed jury instructions accurately reflect the law and will assist the jury in determining what weight to give to registered copyrights and where the evidentiary burden lies.

H. Disputed Jury Instruction No. 12 re Copyright Infringement – Originality

Both parties based this disputed instruction on Model Instruction 17.12 Copyright Infringement — Originality. While the parties agree on the two numbered elements in the Model Instruction, Oracle objects to Google’s proposed changes to other parts of that instruction. Its edits improperly deviate from the Model Instruction.

1. Google’s Proposed Modifications to Model Instruction 17.12

On the opening sentence, Google’s desired language is, “An original work may include or incorporate elements taken from prior works.” Oracle’s proposed language, which tracks the Model Instruction, is, “An original work may include or incorporate elements taken from prior works, works from the public domain, or works owned by others, with the owner’s permission.”

1 NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.12 (2007). Oracle
 2 submits the jury would benefit from hearing more examples of preexisting works. They are
 3 relevant to the facts and issues for trial.

4 Google’s other modifications to Model Instruction 17.12 misstate the law by requiring the
 5 original parts of Oracle’s work to be new. Google (1) inserts “new” into the second sentence of
 6 the Model Instruction, and (2) strikes “new” from that instruction’s last sentence: “In copyright
 7 law, the ‘original element’ of a work need not be new or novel.” NINTH CIRCUIT MANUAL OF
 8 MODEL JURY INSTRUCTIONS – CIVIL No. 17.12 (2007). These changes improperly raise the legal
 9 standard for originality and, thus, copyright protection. Google’s blatant attempt to impose a non-
 10 existent “new” requirement cannot stand. “Original, as the term is used in copyright, *means only*
 11 that the work was independently created by the author (as opposed to copied from other works),
 12 and that it possesses at least some minimal degree of creativity.” *Feist*, 499 U.S. at 345
 13 (emphasis added) (“Originality does not signify novelty.”). None of Google’s case law supports
 14 its position. Moreover, Model Instruction 17.12 (which Oracle’s proposed instruction tracks)
 15 flatly contradicts Google’s “new” requirement. Because the jury will also decide patent claims, it
 16 should be instructed that copyright originality need not be new. Otherwise, there is a strong
 17 possibility of jury confusion, as patentable inventions must be new or novel. Google’s proposed
 18 edits are misleading and should be denied.

19 Oracle’s proposed additions to the Model Instruction will aid the jury in understanding the
 20 legal concept of originality in general, originality vis-à-vis works of selection and arrangement,
 21 and the relevant triable issues it must decide. By saying “Copyright law will protect an original
 22 element of a work as long as it does not utterly lack creativity,” Oracle’s proposed sentence
 23 further explains the definition of originality. This proposal is taken from controlling Supreme
 24 Court precedent. *Feist Publ’ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345, 359 (1991)
 25 (stating that “[t]he sine qua non of copyright is originality,” and holding that copyright protection
 26 is unavailable to “a narrow category of works in which the creative spark is utterly lacking or so
 27 trivial as to be virtually nonexistent”).
 28

Similarly, the jury will benefit from Oracle's proposed paragraph on the requisite originality for works of selection and arrangement that use unprotectable names. This paragraph properly and fairly explains how the abstract concept of originality applies to the type of works at issue. *See Dream Games of Ariz., Inc. v. PC Onsite*, 561 F.3d 983, 988 (9th Cir. 2009) ("*Apple Computer* and its progeny do, however, require that the unprotected elements be identified to the jury."); ECF No. 433 at 8, Order Partially Granting and Partially Denying Defendant's Motion for Summary Judgment on Copyright Claim (September 15, 2011) ("the selection and arrangement of those names is subject to copyright protection"); *Dream Games*, 561 F.3d at 988 ("a claim of copyright infringement can be based on infringement of a combination of unprotected elements") (citing *Apple Computer, Inc. v. Microsoft Corp.*, 35 F.3d 1435, 1446 (9th Cir. 1994) and *Three Boys Music Corp. v. Bolton*, 212 F.3d 477, 485 (9th Cir. 2009)). Oracle's remaining additions regarding the Java API specifications will help the jury to understand how the originality instruction actually fits with the specific triable issues it must decide.

2. Google's Proposed Additions Are Improper

Google's proposed instruction on originality adds two new paragraphs to Model Instruction 17.12. Neither is warranted.

Google's paragraph on "sweat of the brow" is unnecessary and will only serve to confuse the jury. This lawsuit is not about Oracle's industriousness. Indeed, Google's additional paragraph is not tethered to any facts, arguments, or issues in this case. As such, Google's "sweat of the brow" paragraph is irrelevant to the issues for trial and will needlessly add to the number jury instructions. But, if the Court decides to instruct the jury on the "sweat of the brow," Oracle offers its short one sentence as an alternative to Google's proposed paragraph: "Copyright protection rests on the originality of the selection and arrangement of names in the Java API specifications, rather than on the industriousness of the efforts to develop the information." *Feist*, 499 U.S. at 360 (quoting *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1369-70 (5th Cir. 1981)).

Likewise, Google's final paragraph on "thin" copyright protection and virtually identical copying is unnecessary. The level of copyright protection is a question of law for the Court to

decide. Google’s own case law holds this. *See Apple Computer, Inc. v. Microsoft Corp.*, 35 F.3d 1435, 1443 (9th Cir. 1994) (“Having dissected the alleged similarities and considered the range of possible expression, the court must define the scope of the plaintiff’s copyright — that is, decide whether the work is entitled to ‘broad’ or ‘thin’ protection.”); *Satava v. Lowry*, 323 F.3d 805, 812 (9th Cir. 2003) (in reversing preliminary injunction, holding as matter of law that plaintiff “possesses a thin copyright that protects against only virtually identical copying”). But, if Google’s final paragraph must be a jury instruction at all, it should go elsewhere. The jury instruction at issue is devoted to originality for copyright protection. Google’s final paragraph concerns the totally different issue of the level of copyright protection and illicit copying needed to show infringement. The Court should deny Google’s proposed paragraph.

I. Disputed Jury Instruction No. 13 re Copyright- Subject Matter – Selection, Arrangement of Names

The parties appear to agree that copyright protects an original selection and arrangement of elements. The main dispute is over the requisite level of originality. Oracle objects to Google’s proposed instruction because it misleadingly omits language from *Feist* that emphasizes the minimal measure of creativity a compilation needs to qualify for copyright protection.

Google proposes that protection requires a “creative spark.” Google omits the context for this quotation: “To be sure, the requisite level of creativity is extremely low; even a slight amount will suffice. The vast majority of works make the grade quite easily, as they possess some creative spark, ‘no matter how crude, humble or obvious’ it might be.” *Feist Publ’ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345 (1991). Google suggests that copyright does not protect “mechanical” or “routine selections of elements.” Again, Google omits context:

The question that remains is whether Rural selected, coordinated, or arranged these uncopyrightable facts in an original way. As mentioned, originality is not a stringent standard; *it does not require that facts be presented in an innovative or surprising way.* It is equally true, however, that *the selection and arrangement of facts cannot be so mechanical or routine as to require no creativity whatsoever.* The standard of originality is low, but it does exist.

Id. at 362 (emphasis added). Google also fails to point out that the Supreme Court’s example of a “garden-variety” work was an alphabetically-arranged telephone directory. “The end product is a

1 garden-variety white pages directory, devoid of even the slightest trace of creativity.” *Id.* If
 2 Google wants to argue to the jury that the selection and arrangement of names within the Java
 3 API specifications are not original, the jury needs the correct legal standard. Google’s proposed
 4 instruction does not provide it. Oracle’s proposal, by including appropriate context, does.

5 Oracle’s proposed instruction, moreover, clarifies that copyright may protect a
 6 combination of elements even though the elements are not independently copyrightable. “[A]
 7 combination of unprotectable elements is eligible for copyright protection only if those elements
 8 are numerous enough and their selection and arrangement original enough that their combination
 9 constitutes an original work of authorship.” *Lamps Plus, Inc. v. Seattle Lighting Fixture Co.*, 345
 10 F.3d 1140, 1147 (9th Cir. 2003). Oracle’s proposed language merely omits the word “only” from
 11 the above quotation. Google’s proposed language—“[t]he selection and arrangement of these
 12 elements may be protected under copyright law, if *they* reflect a creative spark”—may mislead
 13 the jury into believing that all elements must be independently copyrightable to obtain a
 14 compilation copyright.

15 Consistent with the Court’s copyright summary judgment order, *see* ECF No. 433 at 8,
 16 Oracle’s proposed instruction, unlike Google’s, applies the above rule to “the selection and
 17 arrangement of the names that are used in the 37 API design specifications at issue.” Rather than
 18 simply presenting the jury with a rule of law, Oracle’s language informs the jury of the context in
 19 which they will apply it. Oracle’s proposal also prevents confusion that might otherwise ensue
 20 from separately instructing the jury that names themselves are not protected. Oracle submits that
 21 additional context is essential to prevent the jury from applying an incorrect legal standard.

22 **J. Disputed Jury Instruction No. 14 re Copyright Interests – Derivative Work**

23 The Model Instruction on Derivative Work is aimed at defining what a derivative work is.
 24 Google proposes to insert an extra sentence about unprotected elements to the Model language:
 25 “The recasting, transforming or adapting unprotected elements of a copyrighted work is not a
 26 derivative work.” Google’s proposed language is not present in 17 U.S.C. § 101, nor is it present
 27 in the case Google cites in support of its instruction, nor is it present in Model Instruction 17.13.
 28 Oracle believes that there is good reason not to include it.

Google’s proposed language shifts the focus of this instruction from defining what a derivative work is—creating a new work based on preexisting works—to an instruction about original elements and which elements of a work are protected. Oracle opposes this addition because mixing an instruction on unprotected elements with an instruction defining derivative works will confuse the jury. For example, Oracle might rely on the principle that “a claim of copyright infringement can be based on infringement of a combination of unprotected elements.” *Dream Games of Ariz., Inc. v. PC Onsite*, 561 F.3d 983, 988 (9th Cir. 2009). A jury deciding whether Google created a derivative work would have great difficulty reconciling this principle with Google’s proposed language. The jury would not know which elements need to be transformed or adapted to constitute a derivative. Oracle submits that addressing unprotected elements separately will clarify the meaning of “derivative work.”

Moreover, multiple other instructions already address elements not protected by copyright. *See, e.g.*, Disputed Jury Instructions Nos. 12-13 regarding originality; Disputed Instruction No. 23 regarding merger; Disputed Instruction No. 24 regarding *scenes a faire*. Mentioning “unprotected elements” without the context that these other instructions provide will only hinder the jury’s analysis.

K. Disputed Jury Instruction No. 15 re Copyright – Copying – Access and Substantial Similarity

1. Explaining that Copying May be Proved By Circumstantial Evidence.

After an introductory sentence from the Model, Oracle’s proposed instruction begins with an explanation of what access and similarity have to do with the burden of proving copying. “Because, in most cases, direct evidence of copying is not available, a plaintiff may establish copying by showing that the infringer had access to the work and that the two works are substantially similar.” *Shaw v. Lindheim*, 919 F.2d 1353, 1356 (9th Cir. 1990) (citing *Narell v. Freeman*, 872 F.2d 907, 910 (9th Cir. Cal. 1989)). Without this simple explanation preceding the two elements of proving copying by circumstantial evidence (access and similarity), it is possible that the jury may feel obligated to find that a lack of direct evidence of copying would prohibit a finding of copying. Oracle’s addition to the Model language is a correct statement of the law and

1 is directly relevant to the jury's charge of determining whether copying has been sufficiently
 2 proven. It should be included.

3 **2. The Presumption of Copying**

4 Next, Oracle contends that the jury should be instructed that the burden of proving
 5 independent creation shifts to the defendant if both elements of copying are met. Google opposes
 6 Oracle's addition of language from the Model's Supplemental Instruction. Oracle has adopted it
 7 in order to clarify the jury's charge. The Model's Supplemental Instruction to 17.15 states:

8 If a plaintiff shows the defendant had access to the plaintiff's work
 9 and that there is a substantial similarity between the infringed and
 10 infringing works, a presumption of copying arises shifting the
 burden to the defendant to rebut or to show that the alleged
 infringing work was independently created.

11 NINTH CIRCUIT MODEL JURY INSTRS. No. 17.15 SUPPLEMENTAL INSTR. (citing *Three Boys Music*
 12 *Corp. v. Bolton*, 212 F.3d 477, 486 (9th Cir. 2000)). The Supplemental Instruction quotes the
 13 Ninth Circuit's holding in *Three Boys Music*, and it is this quote that Oracle uses in its proposed
 14 instruction:

15 By establishing reasonable access and substantial similarity, a
 16 copyright plaintiff creates a presumption of copying. The burden
 17 shifts to the defendant to rebut that presumption through proof of
 independent creation.

18 This language is important because it explains to the jury how a presumption works, by shifting
 19 the burden to the defendant to prove independent creation. The concept of independent creation is
 20 not addressed elsewhere in these instructions, so it is valuable to note it here.

21 **3. The Inverse Ratio of Access and Similarity.**

22 Oracle contends that the jury would benefit from an instruction on how they are to balance
 23 their findings on access and substantial similarity in order to determine if there was copying. In
 24 the final two paragraphs of the instruction, Oracle includes language from the Supplemental
 25 Instruction to Model Instruction No. 17.15 that explains that "in the Ninth Circuit, the access and
 26 substantial similarity elements of infringement are 'inextricably linked' by an inverse ratio rule."
 27 NINTH CIRCUIT MODEL JURY INSTRUCTIONS. No. 17.15 SUPPLEMENTAL INSTRUCTION (2007)
 28 (citing *Three Boys Music Corp. v. Bolton*, 212 F.3d 477, 486 (9th Cir. 2000)). Oracle adopts

1 verbatim the Model Instruction’s description of the holding in *Swirsky v. Carey*, 376 F.3d 841,
 2 844-45 (9th Cir. 2004) that “where the defendant has a high degree of access to the copyrighted
 3 work, a lower standard of proof of substantial similarity is required.” NINTH CIRCUIT MANUAL OF
 4 MODEL JURY INSTRUCTIONS – CIVIL, No. 17.15 Comment (2007) (discussing Ninth Circuit’s
 5 “inverse ratio rule” and explaining the holding in *Swirsky v. Carey*, 376 F.3d 841, 844-45 (9th
 6 Cir. 2004); *see also Rice v. Fox Broadcasting Co.*, 330, F.3d 1170, 1178 (9th Cir. 2003) (under
 7 the “inverse ratio rule,” the court requires a lower standard of proof of substantial similarity when
 8 a high degree of access is shown and “a prominent factor” in using inverse ratio analysis is a
 9 “concession of access by the defendant to the plaintiff’s copyrighted work”). Without this
 10 explanation, the jury would not otherwise know that the law “requires a lesser showing of
 11 substantial similarity if there is a strong showing of access.” *Three Boys Music Corp.*, 212 F.3d at
 12 486.

13 Similarly, Oracle explains that “where there is a striking similarity between the two
 14 works, you may infer that the defendant had access to the copyrighted works.” *Three Boys Music*
 15 *Corp. v. Bolton*, 212 F.3d 477, 485 (9th Cir. 2000) (in the absence of any proof of access, “a
 16 copyright plaintiff can still make out a case of infringement by showing that the songs were
 17 ‘strikingly similar’”). *Baxter v. MCA, Inc.*, 812 F.2d 421, 423 (9th Cir.) (access may be inferred
 18 from “striking similarity”), *cert. denied*, 484 U.S. 954 (1987); *see also Herbert Rosenthal Jewelry*
 19 *Corp. v. Kalpakian*, 446 F.2d 738, 741 (9th Cir. 1971) (“It is true that defendants had access to
 20 plaintiff’s [copyrighted] pin and that there is an obvious similarity between plaintiff’s pin and
 21 those of defendants. These two facts constitute strong circumstantial evidence of copying. But
 22 they are not conclusive, and there was substantial evidence to support the trial court’s finding that
 23 defendant’s pin was in fact an independent creation.”) (citations omitted). These points are
 24 directly relevant to the facts of the case because the jury will be presented with evidence of
 25 access, as Google disputes it.

26 Lastly, Google opposes Oracle’s sentence, quoted directly from the Model’s Supplemental
 27 Instruction that defines “striking similarity” for the jury – a concept introduced in the preceding
 28 sentence. *Selle v. Gibb*, 741 F.2d 896, 903 (7th Cir. 1984) (cited by NINTH CIRCUIT MANUAL OF

1 MODEL JURY INSTRUCTIONS – CIVIL No. 17.15 Comment (2007) for the assertion that “[a] striking
2 similarity is one sufficiently unique or complex as to make it unlikely that it was independently
3 created.”).

4 **4. Virtual Identity is Not the Standard To Apply To Copying**

5 It is not appropriate to include in this instruction that the standard of comparison is the “virtual
6 identity” standard of comparison. Google adds a paragraph instructing the jury to apply the
7 “virtually identical” standard of copying when comparing the two works. Oracle objects to this
8 language on several grounds. First, this is not the place for explaining the similarity standards, as
9 there is a dedicated instruction to that (Instruction No. 17 re Copyright – Substantial Similarity –
10 Objective and Subjective Tests). Second, the issue of which legal standard to apply to the
11 comparison of the works is a question of law, to be determined by the Court, not the jury (see
12 argument *supra* re Instr. No. 6 re Copyright – Definition of Copyright). Third, if the Court
13 determines that it will allow the jury to determine which standard to apply, then this instruction
14 should give equal attention to both standards – the substantial similarity standard and the virtual
15 identity standard – which Google’s proposed language does not do.

16 **5. Google’s Addition of the Word “Protectable” to Restrict the** 17 **Description of Elements Is Confusing.**

18 The final dispute in this instruction is a recurring one in which Oracle objects to Google’s
19 addition of the word “protectable” to restrict the description of elements that are alleged to have
20 been copied. Additionally, Oracle objects to Google’s addition of the word “protectable” to the
21 Model language. As discussed above, Google contends that the addition of the word
22 “protectable” to the Model’s phrase, so that it reads “original *protectable* elements,” will confuse
23 jurors because this instruction does not explain what the word “protectable” or the concept of
24 “protectability” means. Indeed, neither do the other instructions. Instead, the Model has taken
25 the approach of addressing the notion of copyright “protectability” in the originality instruction.
26 Hence, the Model language consistently and deliberately uses the word “original,” instead, to
27 qualify elements of copyrighted works that are alleged to have been infringed. By inserting the
28 word “protected” to every such reference, Google effectively creates an additional requirement

1 for the jurors to consider, without giving them the proper tools to determine if it has been
 2 satisfied. Oracle contends that adding the word “protected” to this instruction (as well as
 3 peppering it throughout the entire set of copyright instructions) will likely confuse the jury.

4 **L. Disputed Jury Instruction No. 16 re Copyright Infringement – Copying –**
 5 **Access Defined**

6 Both parties based this disputed instruction on Model Instruction 17.16 Copyright
 7 Infringement – Copying – Access Defined.

8 Oracle objects to Google’s general instruction as unhelpful to the jury for understanding
 9 the disputed access issue. Because Google refused to stipulate that it had access to the Java-
 10 related works, the jury should be specifically instructed on how access to Oracle’s copyrighted
 11 works can be proven. This instruction, moreover, should be tailored to the evidence and issues of
 12 this case. Thus, Oracle’s proposed instruction is better suited to educating the jury as to their
 13 charge.

14 By saying, “Proof of access requires a reasonable possibility that the defendant had the
 15 opportunity to view or read or copy the plaintiff’s work,” Oracle’s instruction accurately and
 16 specifically explains to the jury what the legal concept of “access” means. *See* NINTH CIRCUIT
 17 MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.16 Comment (2007); *Sid & Marty Krofft*
 18 *Tel. Prods., Inc. v. McDonald’s Corp.*, 562 F.2d 1157, 1172 (9th Cir. 1977) (proof of access
 19 requires “an opportunity to view or to copy plaintiff’s work”); *Jason v. Fonda*, 698 F.2d 966, 967
 20 (9th Cir. 1982) (reasonable possibility, not bare possibility, of seeing or hearing the work); *Kamar*
 21 *Int’l, Inc. v. Russ Berrie & Co.*, 657 F.2d 1059, 1062 (9th Cir. 1981) (access and reasonable
 22 opportunity). Relatedly, Oracle’s instruction also appropriately identifies the specific copyrighted
 23 and allegedly infringing works at issue, “the Java API design specifications and code files before
 24 Google created the Android API design specifications and code files.”

25 Oracle’s proposed instruction also uses the Supplemental Instruction to Model Instruction
 26 17.16. NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.16 Supplemental
 27 Instruction (2007) (“Depending on the evidence at trial of the defendant’s access to the allegedly
 28 infringed work, the court may instruct the jury about factors that show such access, by adding the

1 following after the last paragraph of this instruction”). Inclusion of model language from the
 2 Supplemental Instruction will specifically illustrate for the jury how access to the copyrighted
 3 works can be proven. This will aid the jury in deciding the disputed access issue.

4 On the first access factor regarding chain of events, Oracle’s instruction regarding former
 5 employees is properly tailored to the factual scenario at issue in this case. *Johnson Controls,*
 6 *Inc. v. Phoenix Control Sys., Inc.*, 886 F.2d 1173, 1176 (9th Cir. 1989) (“Access is clear in this
 7 case, and Phoenix Control appears to concede this. Several employees of Phoenix Control are
 8 former employees of Johnson, and worked on several versions of the JC-5000S [copyrighted
 9 work].”) Indeed, the Model Instruction indicates the parties should insert the applicable factual
 10 scenario. See NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.16
 11 Supplemental Instruction (2007) (“[such as dealings through a third party (such as a publisher or
 12 record company) that had access to the plaintiff’s work and with whom both the plaintiff and the
 13 defendant were dealing]”). Similarly, on the second and third access factors, Oracle’s instruction
 14 is appropriately modified to fit the factual context of this case. At issue are both wide
 15 dissemination of and striking similarity to the Java API design specifications and code files.
 16 Accordingly, the Court should adopt Oracle’s proposed instruction. It is better suited to
 17 educating the jury on the disputed issue of access for copyright infringement.

18 **M. Disputed Jury Instruction No. 17 re Copyright – Substantial Similarity –**
 19 **Extrinsic and Intrinsic Test**

20 Oracle objects to Google’s proposed instruction. Jury confusion would result from
 21 instructing the jury to engage in a multi-step analysis involving very abstract legal concepts in
 22 order to determine any copyright protection and the scope of that protection. Even a cursory
 23 review of Google’s proposed language makes this plain. Moreover, Google’s own case law
 24 expressly states that the district court must determine copyright protection and its scope. *Apple*
 25 *Computer, Inc. v. Microsoft Corp.*, 35 F.3d 1435, 1443, 1447 (9th Cir. 1994) (holding court must
 26 apply two-part extrinsic and intrinsic test to determine copyright protection and define scope of
 27 protection). Google’s proposed instruction on the extrinsic and intrinsic test should be denied.
 28

1 Instead, the Court should decide copyrightability during the course of the trial and then
 2 instruct the jury on any copyright protection as to the Java platform and the scope of that
 3 protection. The court should also instruct the jury on the frame of reference to apply when
 4 determining similarity.

5 After hearing these instructions from the Court, the jury can follow Oracle's proposed
 6 language. Oracle's proposal employs useful analogies to enable the jury to better understand the
 7 components of the Java-related works. The average juror will more likely understand literary
 8 concepts such as plot, theme, and characters than they will understand "syntax," "methods," and
 9 "classes" without such an analogy. Indeed, the Ninth Circuit has used just these sorts of
 10 analogies in articulating the test for infringement in software cases:

11 In particular, the extrinsic test for literary works requires analytic
 12 dissection of several "objective components of expression," *Shaw*,
 13 919 F.2d at 1361, within a literary work such as plot, theme,
 14 characters, and dialogue. *Id.* at 1356-57. Similarity of these
 15 objective components in two literary works logically gives rise to a
 triable issue of similarity. *Id.* at 1357. Likewise, computer
 programs are subject to a *Shaw-type analytic dissection of various*
standard components, e.g., screens, menus, and keystrokes.

16 *Brown Bag Software v. Symantec Corp.*, 960 F.2d 1465, 1477 (9th Cir.1992). Oracle's proposed
 17 instruction, moreover, sets out the appropriate similarities to examine in determining
 18 infringement: "the similarities between what was allegedly copied, not on any additions to the
 19 work made by Google." *See Shaw v. Lindheim*, 919 F.2d 1353, 1362 (9th Cir 1990) ("No
 20 plagiarist can excuse the wrong by showing how much of his work he did not pirate."). Finally,
 21 Oracle's proposed instruction is consistent with the Court's summary judgment order in applying
 22 the substantial similarity test instead of the virtual identity test that Google advocates. *See*
 23 *Disputed Jury Instruction No. 6, supra*.

24 **N. Disputed Jury Instruction No. 18 re Copyright Infringement – Copying From**
 25 **Third Party**

26 The Model Instructions do not contain a proposed instruction regarding copyright
 27 infringement liability for copying from a third party. The facts of this case, however, involve just
 28

1 such a scenario. Because of this, the jury should be instructed on the law governing liability for
2 copying from a third party.

3 Oracle's proposed instruction is brief and clear. A defendant is liable for copyright
4 infringement even if it copied the copyrighted work from a third party. *Pye v. Mitchell*, 574 F.2d
5 476, 481 (9th Cir. 1978) ("Secondly, a defendant may be liable where he copied with or without a
6 license, from a third party, who in turn had copied from the plaintiff."). Thus, if a third party
7 infringes Oracle's copyrights, Google can not escape liability merely because it copies from the
8 third party infringer instead of directly from Oracle. *See Pye*, 574 F.2d at 481; *see also Kamar*
9 *Int'l, Inc. v. Russ Berrie & Co.*, 657 F.2d 1059, 1062 (9th Cir. 1981) ("[E]vidence that a third
10 party with whom both the plaintiff and defendant were dealing had possession of plaintiff's work
11 is sufficient to establish access [to the copyrighted work] by the defendant.") (citation omitted).
12 Whether Google had a good faith belief that it did not infringe Oracle's copyright is irrelevant.
13 *Buck v. Jewell-La Salle Realty Co.*, 283 U.S. 191, 198 (1931) ("Intention to infringe is not
14 essential under the act."); *see also* 17 U.S.C. § 501 (no knowledge requirement for copyright
15 infringement). Thus, if Google copied Oracle's copyrighted works from a third party, Google is
16 still liable for infringement. Oracle's proposed instructions explain the law on this point to the
17 jurors, and provide guidance on how to determine liability in the event that it finds that Google
18 did copy from a third party.

19 **O. Disputed Jury Instruction No. 19 re Copyright Liability – Vicarious**
20 **Infringement – Elements and Burden of Proof**

21 Oracle and Google agree on the majority of the language for this instruction on vicarious
22 infringement. The main dispute is over Oracle's proposal to add the sentence: "Google's ability
23 to block or police use of its Android platform is evidence of the right and ability to supervise."
24 Oracle is simply following the recommendation of the Comment to Model Instruction 17.20 to
25 clarify the meaning of "supervise and control":

26 In certain cases, it may be appropriate to instruct the jury upon the
27 meaning of "control" or "financial benefit" for purposes of
28 vicarious infringement. *See Napster*, 239 F.3d at 1023–24
(defendant's ability to block or police use of its internet service is
evidence of the right and ability to supervise).

1 *A&M Records Inc. v. Napster, Inc.*, 239 F.3d 1004 (9th Cir. 2001) provides a helpful example of
 2 supervision in an online service context. “Napster had the right and ability to police its system
 3 and failed to exercise that right to prevent the exchange of copyrighted material.” *Id.* at 1023.

4 Oracle will present evidence at trial that, like Napster, Google makes infringing materials
 5 available online, and third parties copy and distribute these materials on the devices they sell.
 6 Oracle will present evidence, moreover, that Google exercises more control than Napster by
 7 requiring that Android device manufacturers “NOT modify the publicly exposed APIs on the
 8 Android platform by changing any method or class signatures.” Trial Ex. 749 at 8, Android 2.2
 9 Compatibility Definition,
 10 http://static.googleusercontent.com/external_content/untrusted_dlcp/source.android.com/en/us/compatibility/2.2/android-2.2-cdd.pdf. Oracle will present additional evidence showing that Google
 11 has the right to supervise and control its Android licensees’ activities and products. Without
 12 Oracle’s proposed language, the jury may not have a concrete idea of what “supervise and control
 13 the infringing activity” means.
 14

15 **P. Disputed Jury Instruction No. 20 re Copyright Liability – Contributory**
 16 **Infringement**

17 The parties here are not far apart. Oracle adds a sentence to the Model Language that
 18 explains to the jury what a “material contribution” is in the context of contributory liability.
 19 Oracle’s proposed language is taken directly from a recent Ninth Circuit case involving a jury
 20 trial on copyright infringement. *Louis Vuitton Malletier, S.A. v. Akanoc Solutions, Inc.*, -- F.3d --,
 21 2011 WL 4014320, at *4 (9th Cir. Sept. 9, 2011). That case states that “[m]aterial contribution
 22 turns on whether the activity in question ‘substantially assists’ direct infringement.” *Id.* (citing
 23 *Amazon.com*, 487 F.3d at 729).

24 **Q. Disputed Jury Instruction No. 21 re Copyright Liability – Willful**
 25 **Infringement**

26 Oracle proposes an instruction on the elements of willful copyright infringement. Google
 27 objects to this instruction, on the grounds that willful infringement is relevant only for statutory
 28 damages. Google is mistaken. As explained below with respect to Disputed Instruction No. 54, a
 willful infringer may not deduct certain fixed expenses from the statutorily authorized award of

1 infringers' profits. Google has deducted those expenses, so the jury must decide whether the
2 copyright infringement was willful.

3 Oracle has modified the model jury instruction in reliance on recently decided Ninth
4 Circuit authority, which reaffirms that willful copyright infringement may be established when
5 the infringer acts with reckless disregard or willful blindness to the copyright-holder's rights.
6 *Louis Vuitton Malletier, S.A. v. Akanoc Solutions, Inc.*, --- F.3d ----, 2011 WL 4014320, at *5 (9th
7 Cir. Sept. 9, 2011) ("To prove 'willfullness' under the Copyright Act, the plaintiff must show (1)
8 that the defendant was actually aware of the infringing activity, or (2) that the defendant's actions
9 were the result of 'reckless disregard' for, or 'willfull blindness' to, the copyright holder's
10 rights.").

11 **R. Disputed Jury Instruction No. 22 re Copyright Defenses – De Minimis**

12 The Model Instructions do not contain a proposed instruction on *de minimis* copying. The
13 parties disagree on one linguistic issue and three legal questions.

14 Both sides adopt the general principle that copying is only *de minimis* where it is
15 qualitatively and quantitatively insignificant. The parties offer different language for this point,
16 however. Oracle's proposes: "You must consider the qualitative and quantitative significance of
17 the copied portions in relation to the works as a whole." Oracle's proposal quotes relevant
18 authorities nearly verbatim. *See, e.g.*, ECF No. 433 at 5-6, Order Partially Granting and Partially
19 Denying Defendant's Motion for Summary Judgment on Copyright Claim (September 15, 2011)
20 ("The extent of the copying 'is measured by considering the qualitative and quantitative
21 significance of the copied portion in relation to the plaintiff's work as a whole.'") (quoting
22 *Newton v. Diamond*, 388 F.3d 1189, 1195 (9th Cir. 2004)). Google, on the other hand, offers: "If
23 only a small amount of relatively unimportant protected material has been copied, then the
24 copying is 'de minimis,' and you should not find infringement." Oracle submits that its proposed
25 language better reflects the legal standard and offers a point of reference—the plaintiff's work as
26 a whole—from which the jury can measure significance.

27 Next, Oracle proposes a sentence on the "average audience" test: "In the copyright
28 infringement context, copying is considered '*de minimis*' only if it is so meager and fragmentary

1 that the average audience would not recognize the appropriation.” This language is taken almost
 2 directly from the Court’s summary judgment order and Ninth Circuit authority: “In the copyright
 3 infringement context, ‘a taking is considered *de minimis* only if it is so meager and fragmentary
 4 that the average audience would not recognize the appropriation.”” ECF No. 433 at 5, Order
 5 Partially Granting and Partially Denying Defendant’s Motion for Summary Judgment on
 6 Copyright Claim (September 15, 2011) (quoting *Fisher v. Dees*, 794 F.2d 432, 434 n.2 (9th Cir.
 7 1986)). Google’s proposal contains no similar language. Oracle submits that the average
 8 audience test is the clearest available articulation of the *de minimis* defense under Ninth Circuit
 9 law.

10 Additionally, Oracle proposes to specify the frame of reference for evaluating whether
 11 Google’s copying was *de minimis*: “The ‘work as a whole’ is not the entire Java platform, but
 12 rather each individual code file. In evaluating whether the copying was *de minimis*, you should
 13 consider the qualitative and quantitative significance of the copied portions of code from an
 14 individual file in relation to the total amount of code in that file.” Oracle’s proposal is consistent
 15 with the Court’s summary judgment order: “at least on the present record, Google has not shown
 16 that the Java platform as a whole is the work to which Google’s alleged copying should be
 17 compared.” ECF No. 433 at 7, Order Partially Granting and Partially Denying Defendant’s
 18 Motion for Summary Judgment on Copyright Claim (September 15, 2011); *see also Tattoo Art,*
 19 *Inc. v. TAT Int’l, LLC*, --- F. Supp. 2d. ---, No. 2:10cv323, 2011 WL 2585376, at *15-16 (E.D.
 20 Va. June 29, 2011) (“the copyrights in multiple works may be registered on a single form, and
 21 thus considered one work *for the purposes of registration* while still qualifying as separate
 22 ‘works’ for purposes of awarding statutory damages”). Without Oracle’s proposed language,
 23 Google might try to repeat its failed summary judgment argument that its code copying was
 24 permissible essentially due to the Java platform’s sheer size.

25 Oracle’s final disputed issue informs the jury that: “The *de minimis* defense does not
 26 apply if you find that Google infringed Oracle’s copyrights in the 37 API design specifications,
 27 because, collectively, the copying in the API design specifications and the code files would be
 28 more than *de minimis*.” In its motion for summary judgment on copyright, Google limited its *de*

1 *minimis* argument to code files and did not even try to argue that the alleged specification copying
 2 was *de minimis*. See ECF No. 260 at 22-24, Defendant Google Inc.’s Notice of Motion and
 3 Motion for Summary Judgment on Count VIII of Plaintiff Oracle America’s Amended Complaint
 4 (August 1, 2011). Oracle expects that Google will separate its code and specification arguments
 5 at trial as well. Oracle’s proposed language clarifies the scope of Oracle’s allegations. The jury
 6 should not get the false impression that 12 files are all that Oracle alleges Google has copied.

7 **S. Disputed Jury Instruction No. 23 re Copyright Defenses – Merger**

8 There is no Model Instruction for merger. Oracle bases its instruction on two quotes taken
 9 from Ninth Circuit cases, one of which was adopted by this Court when it ruled on the doctrine of
 10 merger on Google’s motion for summary judgment on the copyright claim.

11 Specifically, the first sentence of Oracle’s proposed instruction quotes from *Satava v.*
 12 *Lowry*, 323 F.3d 805, 812 n.5, which states: “Under the merger doctrine, courts will not protect a
 13 copyrighted work from infringement if the idea underlying the copyrighted work can be
 14 expressed in only one way, so that there cannot be a monopoly on the underlying idea.” This
 15 same quotation appears at page 9 of the Court’s summary judgment order. (9/15/11 Order (Dkt.
 16 433) at 9 This same quote appears in *Ets-Hokin v. Skyy Spirits, Inc.*, 323 F.3d 763, 765 (9th Cir.
 17 2003) (quoting *Ets-Hokin v. Skyy Spirits, Inc.*, 225 F.3d 1068, 1082 (9th Cir. 2000)).

18 The second sentence in Oracle’s instruction is taken from *Apple Computer, Inc. v.*
 19 *Microsoft, Corp.*, which states, “First, when an idea and its expression are indistinguishable, or
 20 ‘merged,’ the expression will only be protected against nearly identical copying.” 35 F.3d 1435,
 21 1444 (1994).

22 Google’s instruction, which is based on the much lengthier ABA model instruction but
 23 significantly departs from it, is contrary to Ninth Circuit law. First, Google states at the end of its
 24 proposed instruction, contrary to the *Apple v. Microsoft* holding, that, “If you find that the
 25 expression allegedly copied by the defendant has ‘merged’ with the idea being expressed, your
 26 verdict should be for the defendant..” But under *Microsoft*, the expression will still be protected
 27 against “nearly identical copying,” 35 F.3d at 1444, so the finding of merger is just the first step.
 28

Google also adds a passage to the ABA model instruction that fundamentally misstates the law. Google's instruction states that, "Merger is evaluated based on the conditions and constraints faced by the defendant at the time of the alleged infringement." But none of the Ninth Circuit cases cited by Google hold that the merger doctrine is evaluated in this way. Instead, Google relies upon a Fifth Circuit case that considered the very different question of whether the defendant could be held liable for copyright infringement because he posted the building codes of two Texas towns on his website. See *Veeck v. S. Bldg. Code Cong., Int'l*, 293 F.3d 791, 801 (5th Cir. 2002), cert. denied, 537 U.S. 1043 (2002). It is hardly surprising that the court found that posting the law of a town was not copyright infringement: as the Court emphasized, the building codes "are 'facts' under copyright law. They are the unique, unalterable expression of the 'idea' that constitutes local law. *Id.* The facts in *Veeck* have nothing in common with the facts here. Google makes matters worse by including an analogy in its instruction to the copying of a law, presumably based on *Veeck*. Including such an instruction would be highly prejudicial to Oracle, as it suggests that the jury should apply the same standard here, in a completely different factual scenario.

T. Disputed Jury Instruction No. 24 re Copyright Defenses – *Scenes a Fair*

The parties agree on the majority of this instruction. The main differences between the parties' proposals lie in the final two sentences of the first paragraph. Oracle attempts to simplify the end of the Model paragraph, while Google cites a Second Circuit case for examples of constraints on software design.

Oracle objects to Google's sentence that begins: "In the case of computer programs, for example, in many instances it is virtually impossible to write a program to perform particular functions in a specific computing environment without employing standard techniques." Google cites no binding authority for this language and instead takes it almost directly from *Computer Assocs. Int'l, Inc. v. Altai, Inc.*, 982 F.2d 693, 709-10 (2d Cir. 1992). The problem with this language is that it is an unsupported generalization. The Ninth Circuit requires an analysis of the particular expressive content of each program: "Whether the nonliteral components of a program, including the structure, sequence and organization and user interface, are protected depends on

whether, on the particular facts of each case, the component in question qualifies as an expression of an idea, or an idea itself.” *Johnson Controls, Inc. v. Phoenix Control Sys., Inc.*, 886 F.2d 1173, 1175 (9th Cir. 1989); *see also* ECF No. 433 at 9 (“If Google believes, for example, that a particular method declaration is a *scene a faire* or is the only possible way to express a given function, then Google should provide evidence and argument supporting its views as to that method declaration.”). Google’s categorical approach here does just the opposite. The jury might believe that because “in many instances” a programmer cannot avoid “standard techniques,” there is no need to analyze the Java-related works in *this* case, which may or may not contain *scenes a faire*. To prevent this unfairly prejudicial result, the Court should reject Google’s proposed language.

The second dispute between the parties concerns Oracle’s proposal to remove a sentence from the Model Instruction and replace it with simpler language. Oracle proposes omitting: “These elements of a work are given only limited copyright protection, because they are not likely to be original and because, as a type of idea, they are necessary for the creation of other works.” In its place, Oracle proposes: “They are treated like ideas and are therefore not protected by copyright. Further, the indispensable expression of these ideas may only be protected against virtually identical copying.” Oracle’s proposed text accurately states the law of the Ninth Circuit:

As we explained in *Frybarger v. International Business Machines Corp.*, 812 F.2d 525 (9th Cir.1987), when similar features in a videogame are ““as a practical matter indispensable, or at least standard, in the treatment of a given [idea],” “ *they are treated like ideas and are therefore not protected by copyright*. *Id.* at 530 (quoting *Atari, Inc. v. North Am. Philips Consumer Elecs. Corp.*, 672 F.2d 607, 616 (7th Cir.), *cert. denied*, 459 U.S. 880, 103 S.Ct. 176, 74 L.Ed.2d 145 (1982)). Furthermore, as *Frybarger* holds, “the mere *indispensable expression of these ideas*, based on the technical requirements of the videogame medium, *may be protected only against virtually identical copying*.” *Id.*

Apple Computer, Inc. v. Microsoft Corp., 35 F.3d 1435, 1444 (9th Cir. 1994), *cert. denied*, 513 U.S. 1184 (1995) (emphasis added).

1 **U. Disputed Jury Instruction No. 25 re Copyright Defenses – Affirmative**
 Defense – Fair Use

2 Both parties base this disputed instruction on Model Instruction 17.18 Copyright –
 3 Affirmative Defense – Fair Use (17 U.S.C. § 107). While the parties agree on the third numbered
 4 factor in the Model Instruction, Oracle objects to Google’s proposed changes to other parts of that
 5 instruction.

6 **1. Introductory Paragraphs**

7 The parties are not far apart on the two paragraphs preceding the Model Instruction’s
 8 verbatim recitation of the four statutory fair use factors. *Compare* 17 U.S.C. § 107 *with* NINTH
 9 CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.18 (2007). Two disputes
 10 remain.

11 First, in the opening paragraph, Oracle objects to Google’s replacement of “public
 12 interest” from the Model Instruction with “purpose of copyright, which is to promote the progress
 13 of science and the useful arts.” Instead, the Court should use Oracle’s proposed instruction on the
 14 opening paragraph. It is identical to the Model Instruction.

15 Second, in the paragraph two, Oracle objects to Google’s insertion of “making
 16 transformative use” as the purported purpose behind its alleged fair use. As discussed
 17 immediately below, transformative use is not an issue that should go to the jury. Moreover, even
 18 if this issue goes to the jury, “making transformative use” is too vague for the jury to understand.
 19 Instead, Oracle’s description of “allowing applications written in the Java language to run on the
 20 Android platform” is a neutral, specific, and factual statement tailored to this case. In fact, this
 21 description is Google’s own statement of purported “transformative purpose” taken directly from
 22 its court papers in this lawsuit. *See* ECF No. 260 at 19:15-16, Google Inc.’s Notice of Motion
 23 and Motion for Summary Judgment on Count VIII of Plaintiff Oracle America’s Amended
 24 Complaint (August 1, 2011).

2. Google's Alleged Transformative Use

Google's fair use defense rests on one theory: Its use of the copyrighted works is not otherwise actionable because Android is a transformative product. Given this theory, Google's proposal on the first fair use factor states (emphasis added):

The purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes, *and whether the use is transformative. The central question this factor asks is whether the new work merely supersedes the objects of the original creation, or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message.*

Oracle objects to Google's language on transformative use (italicized). Addition to the Model Instruction is not necessary. Also, Google's language improperly treats transformative use as if it were dispositive.

Google's proposal is unnecessary. It does not have a legally sufficient evidentiary basis to support a jury finding of transformative use. This is not an issue that should go to the jury and potentially confuse it. Google's use of the copyrighted works is simply not transformative. Google is doing the same thing Oracle is — that is, Oracle has a Java operating system for mobile devices. Because Oracle already offers a Java operating system for mobile handsets, Android has no new purpose and no transformation. Moreover, Google copied the Java API specifications to use them the same way Oracle does by licensing a Java operating system to computer and mobile device manufacturers. *See Elvis Presley Enters., Inc. v Passport Video*, 349 F.3d 622, 627, 629 (9th Cir. 2003) (finding unauthorized use was not transformative because its purpose was not different than original's, where unauthorized use "serves the same intrinsic entertainment value that is protected by Plaintiffs' copyrights"). The same logic applies here. Google's use adds no transformative value through a "further purpose or different character, altering the first with new expression, meaning, or message." *Campbell v. Acuff-Rose Music, Inc.* 510 U.S. 569, 579 (1994) (emphasis added). Google did not make any transformative changes to the Java core API specifications it copied. For a work to be transformative, there must be a "real, substantial condensation of the materials, and intellectual labor and judgment bestowed thereon; and not merely the facile use of the scissors; or extracts of the essential parts, constituting the chief value

1 of the original work.” *Worldwide Church of God v. Philadelphia Church of God, Inc.*, 227 F.3d
 2 1110, 1117 (9th Cir. 2000) (quoting *Folsom v. Marsh*, 9 F. Cas. 342, 345 (C.C.D. Mass. 1841)).

3 Google’s case law on transformative use reinforces this conclusion. In *Campbell*, the
 4 Supreme Court held that a rap parody of an earlier rock song had an “obvious claim to
 5 transformative value,” because the parody was a “comment or criticism” of the original song.
 6 510 U.S. at 579, 583. Thus, the parody had a further purpose, even though both works were
 7 musical songs. Here, Android has no comment, criticism, or any further purpose beyond the
 8 copyrighted works. Both Oracle and Google use the Java API specifications for Java operating
 9 systems. In *Sony Computer Entm’t, Inc. v. Connectix*, 203 F.3d 569 (9th Cir. 2000), the Ninth
 10 Circuit found modest transformative value in the defendant’s software, because it was a “wholly
 11 new product” when compared to the copyrighted work. *Id.* at 606. Significantly, the Ninth
 12 Circuit emphasized that the software contained entirely new object code, and that the plaintiff did
 13 not claim infringement by the final software product. *Id.* at 602, 606-07 (holding fair use to
 14 reverse engineer and thereby infringe copyrighted work during intermediate step toward
 15 developing final product). Here, Oracle alleges infringement by Android itself as a derivative
 16 work based on the design of the Java API specifications.

17 Lastly, Google improperly elevates transformative use as if it were the first statutory
 18 factor in the fair use defense. It is not. Where applicable, transformative use may be one
 19 consideration in the larger inquiry on the purpose and character of the unauthorized use.
 20 Google’s case law says this much. *Sony*, 203 F.3d at 607 (weighing extent of transformation in
 21 defendant’s final software product against commercialism and compatibility to plaintiff’s
 22 product). Google cannot make transformative use dispositive over the overwhelming evidence of
 23 the commercial nature of Android.

24 Notwithstanding the above, if the Court were to instruct the jury on transformative use,
 25 Oracle proposes alternative language:

26 Regarding this first factor, a use may be fair if it is
 27 “transformative.” To be transformative, you must consider whether
 28 Google’s use merely supersedes the original creation, or instead
 adds something new, with a further purpose or differing character,

altering the first with new expression, meaning, or message. If the later use serves the same purpose, then it is not transformative.

Campbell, 510 U.S. at 579 (“merely supersedes the objects of the original creation, or instead adds something new, with a further purpose or differing character, altering the first with new expression, meaning or message.”). Google’s proposal on transformative use should be denied.

3. Other Fair Use Factors

Google’s instruction on the second fair use factor states (emphasis added):

The nature of the copyrighted work, including whether the work is creative or functional. Not all copyrighted works are entitled to the same level of protection. As I have explained in prior instructions, copyright protection does not extend to the ideas underlying a work or to the functional or factual aspects of the work. The functional aspects of a work that are not protected by copyright include functional requirements for compatibility. To the extent that a work is functional or factual, it may be copied. The expressive elements of the work that must necessarily be used as incident to expression of the underlying ideas, functional concepts, or facts may also be copied. Works of fiction receive greater protection than works that have strong factual elements, such as historical or biographical works, or works that have strong functional elements, such as accounting textbooks.

Oracle objects to Google’s gratuitous addition to the Model Instruction (italicized). Each side’s competing copyright instructions as a whole explain what copyright law does and does not protect. There is no need to repeat those explanations here.

Moreover, Google’s two authorities on functional elements are distinguishable. The focus of the Ninth Circuit’s inquiry in both cases was whether it was fair use to reverse engineer a copyrighted product where “disassembly is the only way to gain access to the ideas and functional elements embodied in a copyrighted [work].” *See Sega Enters. Ltd. v. Accolade, Inc.*, 977 F.2d 1510, 1527 (9th Cir. 1993); *Sony*, 203 F.3d at 603-04. But here, Oracle’s Java APIs were in plain view for anyone to see, so there was no need to copy them to discover their functional elements. Another key to both decisions was that they concern intermediate copying only. The final product was not alleged to infringe the copyright. *See Sega*, 977 F.2d at 1527-28; *Sony*, 203 F.3d at 604 n.7. As the Ninth Circuit noted in *Sega*, “[o]ur conclusion does not, of course, insulate [defendant] from a claim of copyright infringement with respect to its finished products.”

1 977 F.2d at 1528. Here, of course, Oracle accuses the final Android APIs and code of
 2 infringement. The reasoning in *Sega* and *Sony* does not apply.

3 On the fourth fair use factor, Google's instruction states, "However, some economic loss
 4 by Oracle as a result of legitimate competition does not compel a finding of no fair use." Oracle
 5 objects to this sentence. Again, the Model Instruction does include Google's proposed language.
 6 As support, Google again relies on *Sony* and *Sega*. *Sony*, 203 F.3d at 607; *Sega*, 977 F.2d at
 7 1523-24. Neither applies here for reasons above. Furthermore, unlike *Sega*, end users will not
 8 typically purpose more than one Java operating system for their mobile device. 977 F.2d at 1524
 9 (holding notwithstanding "minor economic loss," fourth factor favored defendant because
 10 "consumer might easily purchase" competing video games). In *Sony*, the Ninth Circuit concluded
 11 that "some economic loss" did not result in lack of fair use because defendant's final software
 12 product was a transformative use. 203 F.3d at 607. That is not the case here. Accordingly,
 13 Google's proposed sentence should be denied.

14 **4. Oracle's Additions Are Proper**

15 At the end of each fair use factor in the Model Instruction, Oracle adds a short explanation
 16 to guide the jury on what it is suppose to do with each factor. The short explanations will help the
 17 jury to understand its charge. Also, Oracle's additions are neutral and accurate statements of the
 18 law that come directly from the Comment to the Model Instruction. NINTH CIRCUIT MANUAL OF
 19 MODEL JURY INSTRUCTIONS – CIVIL No. 17.18 Comment (2007).

20 On the first fair use factor, Oracle adds: "Commercial use weighs against a finding of fair
 21 use." *See Elvis*, 349 F.3d at 627 (citing *Harper & Row Publishers, Inc. v. Nation Enters.*, 471
 22 U.S. 539, 562 (1985); *see Harper*, 471 U.S. at 562 ("The crux of the profit/ nonprofit distinction
 23 is not whether the sole motive of the use is monetary gain but whether the user stands to profit
 24 from exploitation of the copyrighted material without paying the customary price.")).

25 On the second fair use factor, Oracle adds: "If the original copyrighted work is creative in
 26 nature, this cuts against concluding that the later use was fair." *See A&M Records, Inc. v.*
 27 *Napster, Inc.*, 239 F.3d 1004, 1015 (9th Cir. 2001) (cited for same assertion by NINTH CIRCUIT
 28 MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.18 Comment (2007)).

On the third fair use factor, Oracle adds a first sentence: “This factor evaluates both the quantity of the work taken and the quality and importance of the portion taken.” *See Elvis*, 349 F.3d at 630 (citing *Campbell*, 510 U.S. at 586). Oracle also adds a second sentence: “Copying the key portions extracts the most valuable part of the Plaintiff’s copyrighted works.” *See Elvis*, 349 F.3d at 630.

On the fourth fair use factor, Oracle adds a first sentence: “This is the most important of the four fair use factors.” *See Harper*, 471 U.S. at 566 (the effect of the defendant’s infringing work on the market for the plaintiff’s work is the most important of the fair use factors) (cited with same parenthetical in NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.18 Comment (2007)); *Sony Computer Ent. Am., Inc. v. Bleem*, 214 F.3d 1022, 1026 (9th Cir. 2000) (effect on market “factor may be the most important [but] all factors must be considered”). Oracle also adds a second sentence: “When the defendant’s use of the copyrighted work competes in the same market as the copyrighted work, then it is less likely a fair use.” *Triad Sys. Corp. v. Se. Express Co.*, 64 F.3d 1330, 1336 (9th Cir. 1995) (cited for same assertion by NINTH CIRCUIT MANUAL OF MODEL JURY INSTRUCTIONS – CIVIL No. 17.18 Comment (2007)). In sum, Oracle’s neutral and accurate explanations will be helpful to the jury in analyzing the four statutory fair use factors.

III. PATENT – GENERAL OBJECTIONS

A. Google’s Use of “Offering for Free”

Google contends that any accused products that are offered for free are not subject to liability under contributory or inducing infringement. Google contends that it makes Android available for free, and therefore cannot be considered to be using, offering for sale, or selling the patented invention as required under § 271(b) and 271(c). Federal courts have made clear that providing a product for free may still satisfy the “use” and “offer for sale or sale” prongs and therefore Google’s instruction should be rejected.

Section 271(b) states that “[w]hoever actively induces infringement of a patent shall be liable as an infringer.” 35 U.S.C. § 271(b). Infringement applies to “whoever without authority makes, *uses*, offers to sell, or sells any patented invention[.]” 35 U.S.C. § 271(c) (emphasis

1 added). The Federal Circuit has interpreted the term “use” broadly, as “to put into service any
 2 invention,” *i.e.*, to “control the system as a whole and obtain benefit from it.” *Centillion Data*
 3 *Sys., LLC v. Qwest Comm’cns Int’l, Inc.*, 631 F.3d 1279, 1284 (Fed. Cir. 2011) (citing *NTP,*
 4 *Inc. v. Research in Motion, Ltd.*, 418 F.3d 1282, 1316–17 (Fed. Cir. 2005)).

5 Federal courts have held that giving away an infringing product for free is a “use” under
 6 § 271(a). *Northbrook Digital, LLC v. Vendio Servs., Inc.*, 625 F. Supp. 2d 728, 754 (D. Minn.
 7 2008) (holding that free software may “use” accused technology and infringe under § 271); *Thorn*
 8 *EMI N. Am., Inc. v. Micron Tech., Inc.*, 821 F. Supp. 272, 275 (D. Del. 1993) (“Each delivery of a
 9 free sample of an allegedly infringing product is a potential sale lost to the patentee (or its
 10 licensee). Viewing ownership of a patent as ownership of the right to exclude, *each delivery of a*
 11 *free sample consequently impinges on the patentee’s right to exclude others from interfering with*
 12 *the patentee’s monopoly on the patented product.* A patentee’s monopoly would be worthless,
 13 for example, if, in an attempt to solicit business, a person delivered free samples to all of the
 14 patentee’s potential customers. Mere solicitation, in contrast, does not tangibly affect the
 15 patentee’s monopoly. In sum, because delivery of free samples of allegedly infringing samples
 16 tangibly impinges on the patentee’s monopoly rights in a way that ordinary solicitation does not,
 17 such delivery must be regarded as ‘use’ of an allegedly infringing product for the purposes of
 18 § 271(a).”); *Applied Biosystems, Inc. v. Cruachem, Ltd.*, 772 F. Supp. 1458, 1466 (D. Del. 1991)
 19 (mailing samples of an infringing product may constitute direct patent infringement); *Patent Tube*
 20 *Corp. v. Bristol-Myers Co.*, 25 F. Supp. 776, 777 (S.D.N.Y. 1938) (“The distribution of the
 21 patented device only for advertising purposes and without actual monetary compensation
 22 therefore [sic], in my opinion, creates no exception to the general rule that use of the patented
 23 device is forbidden.”). If providing a free sample may satisfy the “use” prong of infringement,
 24 then clearly Google’s licensing of Android to third party device manufacturers, under which
 25 Google receives a variety of consideration, including adherence to Google’s strict compatibility
 26 requirements, is considered a “use.” Therefore, Google’s proposed modifications to say that
 27 providing Android for free does not constitute infringement should be denied.

1 Google's Android licensing practices result in infringement under § 271(c) and well as
2 § 271(a). Contributory patent infringement under § 271(c) applies to "[w]hoever offers to sell or
3 sells[.]" The Federal Circuit treats the "offer to sell" provision of § 271(a) as the same as
4 § 102(b). *Rotec Indus., Inc. v. Mitsubishi Corp.*, 215 F.3d 1246, 1254-55 (Fed. Cir. 2000)
5 (defining § 271(a)'s "'offer to sell' liability according to the norms of traditional contractual
6 analysis") (citing *Pfaff v. Wells Elecs. Inc.*, 525 U.S. 55 (1998)). The "offer to sell" provision in
7 § 271(c) should be analyzed similarly. Google does not *give* Android away—Google *licenses*
8 Android and receives consideration in return. Under the license selected by Google (the Apache
9 License, Version 2.0), licensees agree to certain conditions for further distribution and to waive
10 Google's liability arising out of Android, among other obligations. *See*
11 <http://www.apache.org/licenses/LICENSE-2.0>. These are things of value that Google receives
12 from its licensees, so it is accurate to say that Android is "sold." Google has other licensing
13 agreements with the phone manufacturers under which it receives other forms of consideration for
14 Android. All of this is more than enough to establish infringement liability under the statute.
15 Federal courts interpret "offers to sell or sells" as including products given for free if the
16 defendant derives an economic gain. *Northbrook Digital, LLC v. Vendio Servs., Inc.*, 625 F.
17 Supp. 2d 728, 755 (D. Minn. 2008) ("Because usage is a sufficient theory to establish jurisdiction
18 over the infringement claims here, it is not necessary to consider whether Vendio derives any
19 other economic gain that may constitute a sale under § 271(a). But there is little question that,
20 even though Vendio distributes Dealio software for free, it does so to its commercial
21 advantage."); *see Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.*, 243 F. Supp. 2d 1073,
22 1086-87 (C.D. Cal. 2003) (holding that where accused software was available for free and was
23 used to facilitate copyright infringement, distribution to the forum state was "an essentially
24 commercial act" for "the singular purpose of facilitating advertising and generating income").
25 Here, Google derives a significant economic benefit by offering Android "for free." It receives
26 millions of dollars in advertising revenue generated from the users of Android phones. Google
27 provides Android to third party device manufacturers for the purpose of "facilitating advertising
28

1 and generating income.” As the number of infringing products increase, as many as 600,000 new
2 devices per day, Google derives ever more economic benefits.

3 Further, Google has provided no support for why “sale” excludes items offered without
4 charge, but with a variety of obligations incurred in return, often including strict compliance
5 requirements. Google has cited, however, *Hollyanne Corp. v. TFT, Inc.*, which Google asserts for
6 the proposition that *donations* are not deemed “for sale.” In *Hollyanne*, the alleged infringer
7 offered to donate cable home alert devices to schools at a private meeting with school officials.
8 *Hollyanne Corp. v. TFT, Inc.*, 199 F.3d 1304, 1308 (Fed. Cir. 1999). The court looked to whether
9 there were delivery dates, quantity, potential customer relations, and things that would result in a
10 continued relationship. *Hollyanne Corp. v. TFT, Inc.*, 199 F.3d 1304, 1308-09 (Fed. Cir. 1999).
11 The court held that “a mere offer to donate, where a donation is never made, cannot be an offer
12 for sale.” *Hollyanne Corp. v. TFT, Inc.*, 199 F.3d 1304, 1309 (Fed. Cir. 1999). This is quite
13 different from the present facts. Google has already licensed Android to the mobile device
14 manufacturers, unlike the alleged infringer in *Hollyanne*, who never made the “donation.”
15 Moreover, Google does not donate Android. Google makes Android available for purchase for
16 those who are willing to pay the price. The price is to comply with compatibility requirements
17 and various restrictions placed on the software. These restrictions are in place so Google can turn
18 a profit.

19 For these reasons, Google’s attempt to exclude itself from liability because the Android is
20 “free” is unfounded and should be rejected.

21 **IV. PATENT – SPECIFIC OBJECTIONS TO INSTRUCTIONS**

22 **A. Disputed Jury Instruction No. 2 re Patent – Preliminary Instruction – What a** 23 **Patent Is and How One is Obtained**

24 **1. “Oracle Patents” is More Informative Than the “Asserted Patents.”**

25 The Parties dispute the collective name given to the patents-in-suit within the jury
26 instructions. This global issue spans a number of Google’s proposed jury instructions (*e.g.*, nos.
27 1, 3-5, 8, 10-12, 15-17, 19, 29).
28

1 It makes sense to refer to the patents-in-suit as the “Oracle Patents” instead of the
 2 “Asserted Patents.” Each of the patents-in-suit identifies “Sun Microsystems, Inc.” on the front
 3 page as the owner of the patent. Referring to the patents-in-suit as the “Oracle Patents” in the
 4 jury instructions will reduce any potential ambiguity or jury confusion about the ownership of the
 5 patents and the identity of the parties in the suit. *See, e.g., Florida Power & Light Co. v. R. O.*
 6 *Prods., Inc.*, 489 F.2d 549, 552 (5th Cir. 1974).

7 As just one example, here is Google’s Proposed Jury Instruction No. 3 containing two
 8 instances of “Asserted patents”:

9 Oracle filed suit in this court seeking money damages from Google for allegedly
 10 infringing the Asserted patents by making, using, selling, or offering for sale
 11 products and methods that Oracle argues are covered by particular asserted
 claims of the Asserted patents.

12 Replacing “the Asserted patents” with “the Oracle Patents” would be clearer and should be
 13 adopted instead.

14 **2. Reference to Patent Re-examinations Is Improper.**

15 Google proposes a modification to the Model Instruction to refer to the reexaminations of
 16 the patents-in-suit, and to the fact that there is a “substantial new question as to patentability.”
 17 This is highly prejudicial to Oracle.

18 Oracle’s motion in limine no. 1 to exclude any evidence or argument relating to the
 19 reexaminations directly addresses this issue. Federal courts have routinely relied on Federal Rule
 20 Evidence 403 to exclude evidence at trial regarding co-pending, non-final reexaminations of the
 21 patents at issue, on the grounds that such reexamination proceedings are not probative of patent
 22 invalidity, are prejudicial to the plaintiff, and are highly likely to confuse the jury. *See, e.g., SRI*
 23 *Int’l Inc. v. Internet Sec. Sys., Inc.*, 647 F. Supp. 2d 323, 356 (D. Del. 2009) (“Absent unusual
 24 circumstances . . . non-final decisions made during reexamination are not binding, moreover, they
 25 are more prejudicial (considering the overwhelming possibility of jury confusion) than probative
 26 of validity”); *i4i Ltd. P’ship v. Microsoft Corp.*, 670 F. Supp. 2d 568, 583 (E.D. Tex. 2009) (“As
 27 explained elsewhere in this opinion, the simple fact that a reexamination decision has been made
 28 by the PTO is not evidence probative of any element regarding any claim of invalidity. . . . Even

1 if it were, the evidence was substantially more prejudicial than probative.”); *Amphenol T & M*
 2 *Antennas, Inc. v. Centurion Int’l, Inc.*, No. 00 C 4298, 2002 U.S. Dist. LEXIS 822, at *5 (N.D.
 3 Ill. Jan. 17, 2002). A non-final patent reexamination proceeding, of course, is not probative of
 4 invalidity, unpatentability, or willfulness. *Procter & Gamble Co. v. Kraft Foods Global, Inc.*,
 5 549 F.3d 842, 848 (Fed. Cir. 2008) (“As this court has observed, a requestor’s burden to show
 6 that a reexamination order should issue from the PTO is unrelated to a defendant’s burden to
 7 prove invalidity by clear and convincing evidence at trial.”) (citation omitted); *Hoechst Celanese*
 8 *Corp. v. BP Chems., Ltd.*, 78 F.3d 1575, 1584 (Fed. Cir. 1996) (“[T]he grant by the examiner of a
 9 request for reexamination is not probative of unpatentability.”); *Volterra Semiconductor Corp. v.*
 10 *Primarion, Inc.*, No. C-08-05129 JCS, 2011 U.S. Dist. LEXIS 49574, at *24 (N.D. Cal. Mar. 8,
 11 2011) (“With respect to the PTO Initial Office Actions and reexamination orders, ... preliminary
 12 decisions and actions by the PTO in the course of a reexamination proceeding are not probative of
 13 invalidity.”).

14 Moreover, even if the reexaminations were relevant, the prejudicial effect of disclosing
 15 them to the jury would vastly outweigh any probative value. *See Boston Scientific Corp. v.*
 16 *Cordis Corp.*, No. 10-315-SLR, 2011 U.S. Dist. LEXIS 46210, at *1-2 (D. Del. Apr. 28, 2011)
 17 (“It is generally not the court’s practice to admit the reexamination record as trial evidence.
 18 Rejections on reexamination are not binding, and such evidence is almost always more prejudicial
 19 than probative.”); *Presidio Components Inc. v. Am. Tech. Ceramics Corp.*, No. 08-CV-335-IEG
 20 (NLS), 2009 U.S. Dist. LEXIS 106795, at *5 (S.D. Cal. Nov. 13, 2009) (“[E]ven if the
 21 reexamination proceedings are somehow relevant on the issues of obviousness or willfulness,
 22 they are nevertheless unfairly prejudicial.”) (citation omitted); *Realtime Data, LLC v. Packeteer,*
 23 *Inc.*, No. 6:08-cv-144-LED-JDL (E.D. Tex. Dec. 30, 2009), ECF No. 805 at 4 (“[A]lthough an
 24 ongoing reexamination proceeding and the USPTO’s actions therein could be considered by the
 25 Court as a factor in a willfulness determination at the summary judgment stage, during trial in a
 26 request for judgment as a matter of law as to willful infringement, and/or post-verdict, it should
 27 not be introduced before the jury due to the highly prejudicial effect the USPTO’s actions would
 28 have on the jury”); *Intel Corp. v. Commonwealth Scientific & Indus. Research Org.*, No. 6:06-cv-

551 (E.D. Tex. Apr. 9, 2009), ECF No. 518 at 4 (“[W]ithout any conclusions of the PTO to rely upon, evidence that the PTO is currently reexamining the patent may work to unduly alleviate Defendants’ ‘clear and convincing’ burden for both invalidity and willfulness in front of the jury”); *Amphenol*, 2002 U.S. Dist. LEXIS 822, at *5 (“[T]elling the jury that the patent has been called into question by the Patent Office may significantly influence the jury’s application of the presumption of validity and significantly prejudice [the patentee]. The prejudicial potential of this evidence far outweighs any probative value it may have.”). Oracle’s patents are entitled to a presumption of validity and may only be invalidated based on clear and convincing evidence. *See Microsoft Corp. v. i4i Ltd. P’ship*, 131 S. Ct. 2238, 2246 (2011) (applying the clear and convincing standard to all prior art references regardless of their use in initial examination); *z4 Techs., Inc. v. Microsoft Corp.*, 507 F.3d 1340, 1354 (Fed. Cir. 2007) (invalidity must be shown by clear and convincing evidence). Informing the jury that the PTO is reexamining the patents may cause jurors to erroneously conclude that the patents are invalid or no longer entitled to a presumption of validity. Jurors may well mistake the PTO’s interim rejections of certain patent claims as indicative of the government’s final position on the validity of those claims. Therefore, Google’s proposed modification should be denied.

B. Disputed Jury Instruction No. 4 re Patent – Preliminary Instruction – Summary of Contentions

1. Any Reference to Patent Re-examinations Is Improper.

Oracle objects to Google’s proposed modification to the Model Instruction to add reference to the reexaminations of the patents-in-suit, and to the fact that there is a “substantial new question as to patentability. As discussed fully in the section above regarding Instruction No. 2 re Preliminary – Patent – What A Patent Is and How One Is Obtained, this is highly prejudicial to Oracle.

C. Disputed Jury Instruction No. 26 re Patent – Summary of Contentions

The sole dispute between the parties here is whether to refer to the patents at issue as the “Oracle Patents” or the “Asserted Patents.” Oracle refers the Court to its argument on this issue

1 in Disputed Jury Instruction No. 2 (Preliminary – Patent – What A Patent Is and How One Is
2 Obtained).

3 **D. Disputed Jury Instruction No. 27 re Patent – Presumption of Validity**

4 Oracle’s proposed modification to include the presumption of validity in the Model
5 Instruction is appropriate.

6 Section 282 of the Patent Code states that “[a] patent shall be presumed valid.” Oracle’s
7 patents are entitled to this presumption of validity and may only be invalidated based on a
8 showing of clear and convincing evidence. *See Microsoft Corp. v. i4i Ltd. P’ship*, 131 S. Ct.
9 2238, 2243 (2011) (“In asserting an invalidity defense, an alleged infringer must contend with the
10 first paragraph of § 282, which provides that ‘[a] patent shall be presumed valid’ and ‘[t]he
11 burden of establishing invalidity . . . rest[s] on the party asserting such invalidity.’”) (citation
12 omitted); *z4 Techs., Inc. v. Microsoft Corp.*, 507 F.3d 1340, 1354 (Fed. Cir. 2007) (invalidity
13 must be shown by clear and convincing evidence). The clear and convincing standard is deeply
14 rooted in the presumption of validity. Oracle’s proposed instruction will not confuse the jury on
15 this point, but will instead explain the relationship between these important concepts so that the
16 jury can properly appreciate the strength of the asserted patents and the significant evidence
17 Google needs to present to invalidate them.

18 Google does not appear to contest the presumption of validity itself or its relationship to
19 the clear and convincing burden of proof. Indeed, it cannot. Instead, Google contends that if the
20 Court includes the presumption of validity instruction, then the door to evidence regarding re-
21 examination proceedings will open. Google’s argument is misdirected for at least two reasons.

22 First, Google’s position has no legal support. *Presidio Components v. Am. Tech.* does not
23 apply here. In *Presidio* the court excluded reference to the “presumption of validity” by granting
24 the defendant’s properly filed motion *in limine* on that issue. Although the court mentioned this
25 prior ruling in a footnote in a separate motion *in limine* directed to re-examinations, the court did
26 not exclude reference to the presumption because of the re-examination. *Presidio*, 2009 U.S.
27 Dist. LEXIS 106795, at *5.
28

1 Other Federal courts have similarly refused to find a link between re-examinations and the
2 presumption of validity, excluding references to pending reexaminations, but not the presumption
3 of validity, at trial. *See, e.g., Amphenol T & M Antennas, Inc. v. Centurion Int'l, Inc.*, No. 00 C
4 4298, 2002 U.S. Dist. LEXIS 822, at *5 (N.D. Ill. Jan. 17, 2002) (“[T]elling the jury that the
5 patent has been called into question by the Patent Office may significantly influence the jury’s
6 application of the presumption of validity and significantly prejudice [the patentee]. The
7 prejudicial potential of this evidence far outweighs any probative value it may have.”). Similarly,
8 in *Hochstein*, the patentee moved *in limine* to exclude any reference to pending reexaminations.
9 The defendant stated that it planned to introduce evidence of the reexaminations only if the
10 patentee referred to the presumption of validity at trial. *Hochstein v. Microsoft Corp.*, No. 04-
11 CV-73071, 2008 U.S. Dist. LEXIS 64677, at *7-8 (E.D. Mich. Aug. 21, 2008) (“Microsoft
12 responds that it would only introduce the fact of the reexamination if Plaintiffs argue at trial that
13 that the ’125 patent has a statutory presumption of validity. Microsoft points out that the USPTO
14 granted its request for a reexamination because the USPTO failed to consider prior art at the time
15 of the original examination. Microsoft has not moved to stay the case pending the
16 reexamination.”). The court in *Hochstein* ultimately excluded evidence regarding the
17 reexaminations, but it did not exclude any reference to the presumption of validity. The instant
18 case is no different; the re-examinations are irrelevant to the presumption.

19 Google’s untimely attempt to strike any reference to the “presumption of validity” at trial
20 provides a second basis to reject its position. The Court allowed each party five motions *in*
21 *limine*. Although it is common practice for patentees to refer to the presumption of validity,
22 Google strategically chose not to file a motion to exclude reference to the presumption. Now
23 Google wants to secure that exclusion through the jury instruction process. Google’s obvious
24 attempt to circumvent the Court’s pre-trial orders should not be condoned.

25 Oracle’s proposed instruction referencing the presumption of validity should be adopted.
26
27
28

E. Disputed Jury Instruction No. 32 re Patent – Direct Infringement

1. Giving a Away A Product For Free Constitutes “Use” Under § 271(a).

Oracle objects to Google’s proposed language that “A sale or offer to sell must include an exchange of something of value or offer to exchange something of value and does not include giving something away for free.” Federal courts have made clear that providing a product for free may still satisfy the “use” and “offer for sale or sale” prongs. Oracle refers the Court to its argument on this issue in Section III.A (Google’s Use of “Offering for Free”).

F. Disputed Jury Instruction No. 33 re Patent – Literal Infringement

The sole dispute between the parties here is whether to refer to the patents at issue as the “Oracle Patents” or the “Asserted Patents.” Oracle refers the Court to its argument on this issue in Disputed Jury Instruction No. 2 (Preliminary – Patent – What A Patent Is and How One Is Obtained).

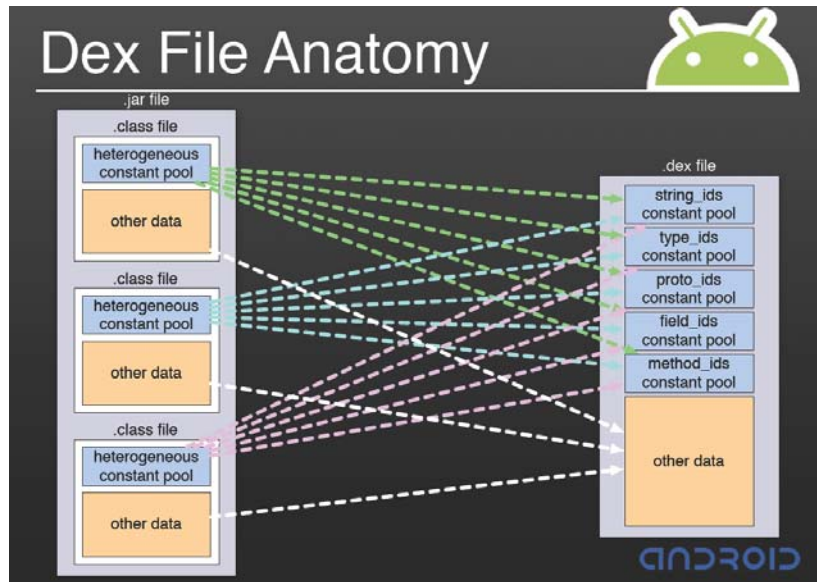
G. Disputed Jury Instruction No. 34 re Patent – Direct Infringement Under the “Doctrine of Equivalents”

The parties agree on the form of this instruction and that it applies to the ’205 patent. Their sole disagreement is whether this instruction applies to the ’702 patent.

Oracle requests that the Court instruct the jury that Oracle asserts the doctrine of equivalents for the ’702 patent as well as the ’205 patent. In Oracle’s infringement contentions, Oracle identified the Android SDK’s dx tool as performing the step of “forming a shared table comprising said plurality of duplicated elements”:

The Android dx tool forms a shared table of the duplicated elements from the plurality of class files. This process is explained in the Dalvik Video at time 7:20–9:25 and Dalvik Presentation, slides 15-20, where the recited shared table includes, e.g., one or more of the “string_ids constant pool,” “type_ids constant pool,” “proto_ids constant pool,” “field_ids constant pool,” and “method_ids constant pool.”

The Dalvik Presentation shows the elements of the class files combining into a shared constant pool (shared tables) in the .dex file.



(Dalvik Presentation, slide 15)

Trial Ex. 3071, Ex. C at 9-10. Oracle's infringement contentions identified the five .dex file constant pools as being either examples of the claimed shared table or together being equivalent to a collective shared table:

In the illustration above, each of "string_ids," "type_ids" and "method_ids" are examples of the shared tables (or, equivalently, a collective shared table).

Trial Ex. 3071, Ex. C at 10. Oracle made the same identification for dependent claims 5 and 6 of the '702 patent, and referred to those identifications for claims 12, 13, 15, and 16 of the '702 patent, which have analogous "shared table" elements. In paragraph 10 of his patent infringement expert report, Prof. Mitchell identified the doctrine of equivalents as applying to both the '205 and '702 patents: "To the extent Android does not literally infringe the claim limitations of the asserted claims of the '205 and '702 patents, Android contains equivalent elements corresponding to each and every requirement of the claim limitations at issue for the reasons detailed below."

Trial Ex. 712 ¶ 10. Prof. Mitchell identified five constant pools shown in the figure as being equivalent to a collective shared table in paragraphs 471, 483, and 486 of his report with respect to claims 1, 5, and 6, and refers back to this information when discussing claims 12, 13, 15, and 16. Paragraphs 494-496 of Prof. Mitchell's report concerned a doctrine of equivalents argument about all of the claim 1 elements that Oracle agreed would be struck; but the argument in those

1 paragraphs is not at issue here. Google did not move to strike any parts of paragraphs 10, 471,
 2 483, and 486, despite being given the opportunity to do so by the Court.

3 This instruction is necessary because, in discussing the jury instructions between counsel,
 4 Google's counsel refused to acknowledge that Google did not contest literal infringement of this
 5 claim element—even though Google's noninfringement interrogatory response and its '702
 6 noninfringement expert report do not argue that the Android SDK's dx tool does not perform the
 7 “forming a shared table” step—despite repeated requests to do so to resolve this dispute. In order
 8 to prevent possible surprise at trial with respect to the “shared table” elements of the asserted '702
 9 patent claims, Oracle requests that the jury be instructed that the doctrine of equivalents applies to
 10 the '702 patent as well as the '205 patent.

11 **H. Disputed Jury Instructions No. 35 Regarding Patent – Limitations on Direct** 12 **Infringement Under the “Doctrine of Equivalents”**

13 **1. Prosecution History Estoppel as to the '205 patent.**

14 Because Google did not properly present any defense of prosecution history estoppel with
 15 respect to the '205 patent, the Court should not instruct the jury on the defense. Google requests
 16 an instruction that “[b]ecause Oracle made certain claim changes or statements during the patent
 17 application process for the '205 patent, the doctrine of equivalents analysis cannot be applied to
 18 the following requirements of the asserted claims 1 and 2 of the '205 patent.” Google's Proposed
 19 Jury Instruction No. 35. But Google did not identify in discovery any claim change or statement
 20 that it contends gives rise to prosecution history estoppel. As of this writing, Oracle literally does
 21 not know which amendments or statements in the '205 patent prosecution Google is relying on to
 22 support its jury instruction – Google has withheld that information. Google's attempt to sandbag
 23 Oracle through a proposed jury instruction should be rejected.

24 **2. Google Has Never Before Disclosed A Prosecution History Estoppel** **Defense to Infringement under the Doctrine of Equivalents.**

25 Oracle disclosed its doctrine of equivalents infringement theory for the '205 patent on
 26 December 2, 2010 in its Patent Local Rule 3-1 infringement contentions. Oracle's contentions
 27 explained how Google's Android JIT includes equivalents to the “generating . . . a new virtual
 28 machine instruction” element of independent claim 1 and the corresponding “new virtual machine

instruction” element of dependent claim 2. Oracle also produced the ’205 prosecution history to Google pursuant to Patent Local Rule 3-2.

On December 2, 2010, Oracle also served Google with Interrogatory No. 3 asking Google to “explain the factual and legal bases for Google’s pleading of its first affirmative defense: No Patent Infringement.” Google’s answer to this interrogatory, which it amended three times on February 18, April 1, and April 27, failed to disclose any theory of about prosecution history estoppel. On July 26—just days before the close of fact discovery—Google provided its fourth supplemental response to Interrogatory No. 3, which contained only a single sentence regarding a prosecution history estoppel non-infringement defense:

Oracle is estopped as a matter of law from relying on the doctrine of equivalents to enlarge the scope of the ’205 patent claims to cover the Accused Instrumentalities. See *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki*, 243 F.3d 558 (Fed. Cir. 2000) (en banc). Alternatively, Oracle cannot rely on the doctrine of equivalents to prove infringement because the asserted scope of equivalency of what is literally claimed would encompass the prior art. *Wilson Sporting Goods Co. v. David Geoffrey & Assoc.*, 904 F.2d 677, 683 (Fed. Cir. 1990), cert. denied, 498 U.S. 992 (1990). In any event, the functionality identified by Oracle as infringing under the doctrine of equivalents is substantially different from that described and claimed by the ’205 patent. In addition, Oracle’s identification of an entry in the jitEntry table works in a completely different manner from the claimed “new instruction.”

(emphasis added.) The use of the word “alternatively” in Google’s second sentence and the identification of *Wilson Sporting Goods* shows Google asserts a second, different legal theory; *Wilson Sporting Goods*, unlike *Festo*, is not a prosecution history estoppel case. *Wilson Sporting Goods Co. v. David Geoffrey & Assoc.*, 904 F.2d 677, 683 (Fed. Cir. 1990), *overruled in part on other grounds*, *Cardinal Chem. Co. v. Morton Int’l*, 508 U.S. 83 (1993).

Two things are immediately apparent from Google’s interrogatory response. First, Google’s legal basis for a prosecution history estoppel defense is at best ambiguous, because the particular *Festo* case it cited was vacated by the Supreme Court. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 742 (2002).

More importantly, Google’s response does not disclose any factual bases for its last-minute prosecution history estoppel defense. Google did not identify any claim amendment or statement made during prosecution of the ’205 patent that would justify invocation of the doctrine

1 of prosecution history estoppel. Google did not even identify any specific claim element that
2 would be affected by application of the doctrine. It certainly did not identify the two claim
3 phrases that are now identified in its proposed jury instruction.

4 Google's disclosure is not sufficient to preserve a defense of prosecution history estoppel.
5 Prosecution history estoppel arises only when there is a clear and unmistakable surrender of
6 subject matter in prosecution. Surrender may be accomplished by amendment, *Festo*, 535 U.S. at
7 736 ("Estoppel arises when an amendment is made to secure the patent and the amendment
8 narrows the patent's scope."), or by argument. *Litton Sys., Inc. v. Honeywell, Inc.*, 140 F. 3d
9 1449, 1458 (Fed. Cir. 1998) ("This court has acknowledged that even arguments made during
10 prosecution without amendments to claim language – if sufficient to evince a clear and
11 unmistakable surrender of subject matter – may estop an applicant from recapturing that
12 surrendered matter under the doctrine of equivalents."). In its interrogatory response, Google did
13 not identify any ***narrowing*** amendment or argument or identify any surrender of claim scope as to
14 any specific element of any specific claim.

15 Google's failure to explain the factual and legal bases of a prosecution history estoppel
16 defense in its interrogatory response means that the jury should not be instructed on the defense.
17 *See, e.g., Doe v. Reddy*, No. C 02-05570 WHA, 2004 U.S. Dist. LEXIS 30792, at *14 (N.D. Cal.
18 Mar. 24, 2004) ("So as to [facts requested by interrogatory], plaintiffs appear correct that
19 defendants have identified no admissible evidence. This is dispositive. Defendants will be held
20 to their discovery answers"); *Tech. Licensing Corp. v. Thomson, Inc.*, No. CIV. S-03-1329,
21 2005 U.S. Dist. LEXIS 24239, at *16-17 (E.D. Cal. June 30, 2005) (limiting evidence at trial to
22 information disclosed in response to interrogatory). Even if Google's one-sentence, completely
23 uninformative response were enough to preserve the defense, Google did not cure its failure to
24 disclose a factual basis for prosecution history estoppel in expert discovery. Google's '205
25 noninfringement expert presented a *Wilson Sporting Goods* analysis, but not a *Festo* prosecution
26 history estoppel analysis. Like Google's interrogatory response, its expert report contained no
27 identification of narrowing amendments or arguments.

Google's request for a jury instruction on prosecution history estoppel comes as a surprise to Oracle. The instruction goes well beyond what Google provided in discovery. The factual or legal arguments that Google makes in support of its proposed jury instruction are advanced for the first time today. For this reason alone, the Court should not instruct the jury on the doctrine.

3. Prosecution History Estoppel Does Not Limit Application of the Doctrine of Equivalents for the Asserted '205 Patent Claims.

Not only is Google's requested prosecution history estoppel instruction procedurally unjustified, but it is also substantively unjustified. There were no amendments or arguments in connection with claims 1 or 2 that surrendered claim scope to create an estoppel.

In the prosecution history of the '205 patent, what issued as claim 1 was originally numbered claim 32. Issued claim 2 was originally numbered claim 2, and depended from original claim 1. Claim 2 originally read:

2. The method of claim 1, further comprising overwriting a selected virtual machine instruction of the function with a new virtual machine instruction, the new virtual machine instruction specifying execution of the at least one native machine instruction.

Trial Ex. 4017, OAGOOGLE0000052602-859 ('205 file history) at OAGOOGLE0000052699. In the first Office Action, claim 2 was rejected for obviousness-type double patenting over the '205's parent patent, but it was not rejected over Walters, a prior art reference, as other claims were. Trial Ex. 4017 at OAGOOGLE0000052806. In response to the first Office Action, the applicant filed a terminal disclaimer to overcome the double patenting rejection (Trial Ex. 4017 at OAGOOGLE0000052821), and broadened the language of claim 2 by amendment:

2. (Currently Amended) The method of claim 32 ~~[[1]]~~, further comprising overwriting a selected virtual machine instruction ~~of the function~~ with a new virtual machine instruction, the new virtual machine instruction specifying execution of the at least one native machine instruction.

Trial Ex. 4017 at OAGOOGLE0000052727. The phrase "of the function" was deleted in claim 2—this was a broadening amendment, not a narrowing one. (The phrase "of the function" erroneously appears in Google's proposed jury instruction even though it does not appear in the

1 issued patent.) Applicants made clear that claim 2 was amended only “to clarify the subject
 2 matter regarded as the invention.” Trial Ex. 4017 at OAGOOGL0000052721. No application
 3 of prosecution history estoppel with respect to claim 2 is appropriate. *Honeywell Int’l, Inc. v.*
 4 *Hamilton Sundstrand Corp.*, 370 F.3d 1131, 1139 (Fed. Cir. 2004 (*en banc*) (“However,
 5 prosecution history estoppel may bar the patentee from asserting equivalents ***if the scope of the***
 6 ***claims has been narrowed*** by amendment during prosecution.”) (emphasis added). Claim 2 was
 7 also amended to depend from claim 32 rather than original claim 1, but this does not serve to bar
 8 any equivalents to the elements of claim 2.

9 In the same response, the ’205 patent applicants added new claim 32, which ultimately
 10 issued as claim 1:

11 32. (New) In a computer system, a method for increasing the execution speed of
 12 virtual machine instructions at runtime, the method comprising:
 13 receiving a first virtual machine instruction;
 14 generating, at runtime, a new virtual machine instruction that represents or
 15 references one or more native instructions that can be executed instead of said first
 16 virtual machine instruction; and
 17 executing said new virtual machine instruction instead of said first virtual machine
 instruction.

18 Trial Ex. 4017 at OAGOOGL0000052730. The claim was never amended or narrowed, and
 19 applicants made no argument about the claim to overcome a prior art rejection – it was never
 20 rejected based on prior art. Trial Ex. 4017 at OAGOOGL0000052806. As claim 2 recited
 21 “overwriting a selected virtual machine instruction with a new virtual machine instruction,” the
 22 applicant pointed out in the response to the office action that the Walters reference did not teach
 23 the broader claim element “generating, at runtime, a new virtual machine instruction that
 24 represents or references one or more native instructions that can be executed instead of said first
 25 virtual machine instruction.” Trial Ex. 4017 at OAGOOGL0000052723. Because the Examiner
 26 had not rejected claim 2 based on the Walters reference, the amendment and this statement were
 27 not narrowing and did not surrender any subject matter.
 28

1 For the reasons described, the '205 patent applicants did not surrender claim scope of
 2 what are now claims 1 and 2. Therefore, prosecution history estoppel does not limit application
 3 of the doctrine of equivalents for the '205 patent and the jury should not receive Google's
 4 requested instruction.

5 **I. Disputed Jury Instruction No. 36 re Patent – Indirect Infringement –**
 6 **Generally**

7 The sole dispute between the parties here is whether to refer to the patents at issue as the
 8 “Oracle Patents” or the “Asserted Patents.” Oracle refers the Court to its argument on this issue
 9 in Disputed Jury Instruction No. 2 (Preliminary – Patent – What a Patent Is and How One Is
 10 Obtained).

11 **J. Disputed Jury Instruction No. 38 re Patent – Induced Infringement**

12 Google's proposed instruction omits a significant element of induced infringement, as
 13 explained in the recent Supreme Court decision *Global-Tech Appliances, Inc., v. SEB S.A.*, 131 S.
 14 Ct. 2060, 2067 (2011). Google relies on MODEL PATENT JURY INSTRUCTIONS FOR THE NORTHERN
 15 DISTRICT OF CALIFORNIA No. B.3.10, which was completed on November 29, 2007. But this
 16 Model Instruction does not include the Supreme Court's recent holding in *Global-Tech*, which
 17 clarified that the knowledge requirement for inducing infringement under the § 271(b) standard
 18 may be satisfied by “willful blindness.” *Global-Tech*, 131 S. Ct. at 2069 (“Given the long history
 19 of willful blindness and its wide acceptance in the Federal Judiciary, we can see no reason why
 20 the doctrine should not apply in civil lawsuits for induced patent infringement under 35 U.S.C.
 21 § 271(b).”) Oracle's proposed instruction is consistent with *Global-Tech* and should be adopted.

22 Indeed, courts have already begun to confirm that jury instructions including the willful
 23 blindness standard for induced infringement are appropriate. In *ePlus, Inc. v. Lawson Software,*
 24 *Inc.*, for example, the Eastern District of Virginia held that an instruction given *before* the *Global-*
 25 *Tech* decision was nevertheless consistent with *Global-Tech*. No. 3:09cv620, 2011 WL 3584313,
 26 at *4 (E.D. Va. Aug. 12, 2011). In *ePlus*, the Court gave the following instruction, which applied
 27 willful blindness: “Knowledge of the patent may be established by a finding that [the alleged
 28 infringer] had actual knowledge of the patent or that [the alleged infringer] deliberately

disregarded a known risk that ePlus had a protective patent.” *ePlus*, 2011 WL 3584313, at *5. Oracle’s proposed instruction, like the one adopted in *ePlus*, merely incorporates the new Supreme Court standard. Google offers no credible reason to ignore this standard; accordingly, Oracle’s proposed instruction should be adopted.

K. Disputed Jury Instruction No. 37 re Patent – Contributory Infringement

There are four disputed points on this jury instruction. First, in the hopes of excluding its own distribution practice, Google proposes to add two separate descriptions of what constitutes a sale or offer for sale. Google also seeks to include an unnecessary definition of direct infringement as well as language regarding software as a component under § 271(f). All three of these proposed additions are irrelevant and confusing and none of them should be included in the jury instructions. The fourth point of dispute is whether the “willful blindness” standard recently announced by the Supreme Court should be included. As this is the current standard for infringement under § 271(c), Oracle’s proposal to include this language is proper.

1. Google’s Language Regarding Sale/Offer for Sale Should Not be Included

Google’s proposal to add the following language to the Model Instruction should be rejected:

A sale or offer to sale must include an exchange of something of value or offer to exchange something of value and does not include giving something away for free

You may not find Google liable merely for transferring or supplying Android to others. Rather, you must find that Google sold Android or offered it for sale. A sale requires transfer of the component for a price. Therefore, if you find that Google makes Android available for free, you may not find Google liable for contributory infringement.

Google has provided no support for its position that a “sale” excludes items offered for free, but with obligations including compliance requirements. Incredibly, Google attempts to liken its product distribution to a donation, citing *Hollyanne Corp. v. TFT, Inc.*, for the proposition that *donations* are not deemed “for sale.” But Google does not donate Android. Google makes Android available for purchase for those who are willing to pay the price. The price is various restrictions placed on the software and often includes forced compliance with compatibility requirements. Courts have routinely held that this is not “for free” as Google suggests. *See, e.g., Northbrook Digital, LLC v. Vendio Servs., Inc.*, 625 F. Supp. 2d 728, 754 (D.

1 Minn. 2008) (holding that free software may “use” accused technology and infringe under § 271);
 2 *Thorn EMI N. Am., Inc. v. Micron Tech., Inc.*, 821 F. Supp. 272, 275 (D. Del. 1993) (“Each
 3 delivery of a free sample of an allegedly infringing product is a potential sale lost to the patentee
 4 (or its licensee)”); *Applied Biosystems, Inc. v. Cruachem, Ltd.*, 772 F. Supp. 1458, 1466 (D. Del.
 5 1991) (mailing samples of an infringing product may constitute direct patent infringement);
 6 *Patent Tube Corp. v. Bristol-Myers Co.*, 25 F. Supp. 776, 777 (S.D.N.Y. 1938) (“The distribution
 7 of the patented device only for advertising purposes and without actual monetary compensation
 8 therefore [sic], in my opinion, creates no exception to the general rule that use of the patented
 9 device is forbidden.”)

10 *Hollyanne* is further distinguishable because, in that case, the court concluded that “a mere
 11 offer to donate, where a donation is *never made*, cannot be an offer for sale.” *Hollyanne*, 199
 12 F.3d at 1309 (emphasis added). In the instant case, however, Google has licensed Android to the
 13 third-party device manufacturers. *Hollyanne* does not apply here, and Google’s proposed
 14 modification should be rejected.

15 2. Google’s Additional Definition of Direct Infringement is Unnecessary 16 in This Instruction

17 Google’s proposal to add the following language regarding direct infringement to the
 18 Model Instruction should also be rejected:

19 To prove direct infringement, Oracle must either prove that Android necessarily infringes
 20 an asserted claim or prove specific acts of direct infringement by others.

21 Google provides no support for this modification, and its proposed language is misplaced.
 22 Google appears to have adapted this language from the MODEL PATENT JURY INSTRUCTIONS FOR
 23 THE NORTHERN DISTRICT OF CALIFORNIA No. B.3.10 regarding *inducing infringement*. (“In order
 24 to prove induced infringement, [patent holder] must either prove that the [accused product]
 25 necessarily infringes the [patent in suit] or prove acts of direct infringement by others that were
 26 induced by [accused infringer].”) But this language is inapplicable here for several reasons.
 27 First, the Model Instruction for contributory infringement adequately discloses that “[i]n order for
 28 there to be contributory infringement by Google, someone other than Google must directly

1 infringe a claim of the Java-related patents; if there is no direct infringement by anyone, there can
 2 be no contributory infringement.” There is no reason to go beyond this language, and doing so
 3 only causes confusion. Second, Google claims that the accused product in this case is Android,
 4 but in fact Oracle defines a much broader range of accused products, including Android and
 5 Google’s Android phones. Third, Google adds a new limitation that Oracle must “prove specific
 6 acts of direct infringement by others.” Neither the contributory nor the inducing Model
 7 Instruction require “specific acts.” This is because Federal courts have made clear that
 8 circumstantial evidence may be presented to prove contributory and inducing infringement.
 9 *Brantingson Fishing Equip. Co. v. Shimano Am. Corp.*, 8 U.S.P.Q.2d 1669, 1675 (Fed. Cir. 1988)
 10 (Baldwin, J.; Markey, C.J. and Re, C.J. “concurring in the result only”) (“[I]f there is no evidence
 11 of direct infringement, there can be no inducement of or contributory infringement”; “[D]irect
 12 infringement need not be proved by direct evidence. For purposes of § 271(b) or (c), direct
 13 infringement may be proven by circumstantial evidence. ... including evidence which shows that
 14 the accused device has no practical use other than in an infringing system.”); *Moleculon Research*
 15 *Corp. v. CBS, Inc.*, 793 F.2d 1261 (Fed. Cir. 1986), *on remand*, 666 F. Supp. 661 (D. Del. 1987),
 16 *rev’d*, 872 F.2d 407 (Fed. Cir. 1989) (inducement of infringement of a method claim of a patent
 17 may be established by circumstantial evidence that direct infringement occurs as a result of the
 18 infringer’s acts).

19 The appropriate jury instructions regarding direct infringement are expressly discussed in
 20 proposed [Disputed] Model Instruction 33. There is no need to include additional, confusing
 21 limitations in a completely different instruction.

22 3. Google’s Reference to Components Under § 271(f) is Improper.

23 Google’s proposal to add the following language to the Model Instruction also should be
 24 rejected:

25 Finally, Google can be liable for contributory infringement only if you find that the copies
 26 of Android sold or offered for sale by Google were the same actual, tangible copies used
 27 by another person to directly infringe. If you find that the other person copies Android
 28 and uses those copies in an infringing product, then you may not find Google liable for
 contributory infringement. Likewise, if you find that Google sells or offers to sell only
 source code, you may not find Google liable for contributory infringement because source
 code cannot be a tangible component.

1 Here again, Google seeks to inject language into the jury instructions that is unnecessary
 2 and not supported. Indeed there is no compelling reason to present this extremely technical legal
 3 principle to the jury, and Google offers none.

4 Google appears to argue that the extraterritorial reach of U.S. patent law under 35 U.S.C.
 5 § 271(f) should also be applied to domestic infringement under 35 U.S.C. § 271(c). In Google's
 6 précis to the court, it argued that the Supreme Court's ruling in *Microsoft Corp. v. AT&T Corp.*,
 7 550 U.S. 437 (2007) supported this position. But as Oracle explained in its response, Google is
 8 mistaken. The *Microsoft* Court never suggested that its ruling applied to § 271(c), and Google
 9 points to no authority that requires § 271(c) and § 271(f) to be treated similarly. In fact, at least
 10 one district court has specifically rejected Google's arguments:

11 This Court has no reason to interpret [*Microsoft v.*] *AT&T* so
 12 expansively. One of the key concerns regarding § 271(f) is the
 13 effect of U.S. patent law on extraterritorial activities. "The
 14 traditional understanding that our patent law operates only
 15 domestically and does not extent to foreign activities ... is
 16 embedded in the Patent Act itself, which provides that a patent
 17 confers exclusive rights in an invention within the United States."
 [*Microsoft*] at 1758 (internal questions and citation omitted). This
 concern does not infect § 271(c). While domestic patent laws more
 readily govern facilitation and inducement of infringement, § 271(f)
 is limited to components supplied for a combination that will be
 made outside the United States.

18 *Lucent Techs., Inc. v. Gateway, Inc.*, 509 F. Supp. 2d 912, 929-30 (S.D. Cal. 2007), *aff'd* 525
 19 F.3d 1200 (Fed. Cir. 2008). The court in *Lucent* concluded that "[t]here is no precedent for
 20 limiting the scope of §271(c)" and deferred to "the legislature to consider whether supplying
 21 software as an 'intangible' should be exempted from § 271(c)." *Lucent*, 509 F. Supp. 2d at 930.

22 Google also contends that the term "component" as used in both §271(c) and §271(f)
 23 requires a similar interpretation. But the rules of statutory construction are not so rigid. As the
 24 *Lucent* court recognized, supplying a combinable "component" giving rise to extraterritorial
 25 liability under § 271(f) is different from simply selling a "component" of a patented device in the
 26 United States. Moreover, the purpose behind § 271(f) is to prevent parties from avoiding
 27 infringement in the United States under the other subparts of § 271 by shipping a patented device
 28 in small components and then assembling the components overseas. In this sense, § 271(f)

1 expands patent protection. Google’s attempt to confine §271(c) to a similar definition of
 2 “component” has just the opposite effect—it severely limits the protections afforded under
 3 § 271(c).

4 By offering source code and binary versions of the Android software for download and
 5 installation in the United States, Google is supplying “components” of the infringing Android
 6 devices and is liable as a contributory infringer under § 271(c). Modifying the jury instruction to
 7 reflect irrelevant standards will not change that. Google’s proposed modification should be
 8 rejected.

9 **4. Oracle’s Proposed “Willful Blindness” Language Should be Included**

10 Oracle proposes adding “willful blindness” to the knowledge inquiry for contributory
 11 infringement. This is consistent with the Supreme Court’s decision in *Global-Tech*. In *Global-*
 12 *Tech*, the Supreme Court found that Sections 271(b) and 271(c) have a common origin, are
 13 ambiguous as to the intent needed to impose liability, and require the same level of knowledge.
 14 *Global-Tech Appliances, Inc., v. SEB S.A.*, 131 S. Ct. 2060, 2067 (2011) (“While both the
 15 language of § 271(b) and the pre-1952 case law that this provision was meant to codify are
 16 susceptible to conflicting interpretations, our decision in *Aro II* resolves the question in this case.
 17 In *Aro II*, a majority held that a violator of § 271(c) must know ‘that the combination for which
 18 his component was especially designed was both patented and infringing,’ 377 U.S., at 488, 84 S.
 19 Ct. 1526, and as we explain below, that conclusion compels this same knowledge for liability
 20 under § 271(b).”). After determining that the same knowledge requirement applies to both
 21 inducing and contributory infringement, the Court then applied willful blindness to the knowledge
 22 inquiry of inducing infringement under § 271(b). *Global-Tech*, 131 S. Ct. at 2069 (“Given the
 23 long history of willful blindness and its wide acceptance in the Federal Judiciary, we can see no
 24 reason why the doctrine should not apply in civil lawsuits for induced patent infringement under
 25 35 U.S.C. § 271(b).”) Although the Court did not expressly apply willful blindness to
 26 contributory infringement, its reasoning behind the application of willful blindness is instructive.
 27 If sections 271(b) and 271(c) share the same knowledge requirement, then they must share willful
 28 blindness as well. Other courts agree. *See, e.g., Trading Techs. Int’l, Inc. v. BCG Partners, Inc.*,

No. 10 C 715, 2011 U.S. Dist. LEXIS 99415, at *13 (N.D. Ill. Sept. 2, 2011) (“As noted above, in *Global-Tech* the Supreme Court established that the plaintiff must show the alleged infringer must have knowledge of the patent at issue (or at least ‘willful blindness’ to the patent) and knowledge that the infringer’s product infringed on that patent to prove a claim for contributory infringement (35 U.S.C. § 271(b)) and inducing infringement (35 U.S.C. § 271(c)). *See Global-Tech*, 131 S. Ct. at 2068-69.”).

Oracle’s proposed modification, which simply inserts this basic principle, should be adopted.

5. All Android mobile devices are the subject of indirect infringement

The parties dispute which Android mobile devices are at the subject of indirect infringement of the ’104, ’205, ’476, and ’720 patents. Google’s proposed language limits Google’s indirect liability to specific Android mobile devices: HTC Nexus One (third party sales), Samsung Nexus S (third party sales), HTC Evo 4G, HTC Droid Incredible, HTC G2, Motorola’s Droid, and Samsung Captivate. Oracle contends that all Android mobile devices are at issue in this case.

Oracle should be allowed to explain to the jury that Google induced and contributed to third parties’ direct infringement by making, using, selling, and/or offering to sell any Android mobile devices. In the Court’s September 26, 2011 order, the Court explained that evidence relating to Android mobile devices that were not identified in Oracle’s Infringement Contentions by name could be presented to the jury under certain circumstances:

[A]ny grant of a motion to strike does not exclude the item at issue in the motion under any and all circumstances; a party who prevailed on a motion to strike may open the door to the stricken material.

ECF No. 464 at 7, Order Partially Granting and Partially Denying Motion to Strike Portions of Mitchell Report and Vacating Hearing (September 26, 2011). Therefore, it is inappropriate for Google to try to limit the jury instructions on indirect infringement to only the Android mobile devices specifically mentioned in Oracle’s Infringement Contentions by name. We have yet to

1 see what evidence will be admitted at trial. The Court should instruct the jury on indirect
2 infringement without limiting it to seven particular Android mobile devices.

3 In addition, with all due respect to the Court's orders issued on September 26, 2011 (ECF
4 No. 464) and October 5, 2011 (ECF No. 486), Oracle maintains that it complied with the Patent
5 Local Rules and disclosed how Google indirectly infringes the patents-in-suit. Patent Local Rule
6 3-1(d) requires the following (emphasis added):

7 For each claim which is alleged to have been indirectly infringed, *an*
8 *identification of any direct infringement and a description of the acts of the*
9 *alleged indirect infringer that contribute to or are inducing that direct*
10 *infringement*. Insofar as alleged direct infringement is based on joint acts of
multiple parties, the role of each such party in the direct infringement must be
described.

11 Oracle identified the third parties who directly infringe the '104, '205, '476, and '720 patents,
12 because Oracle's Infringement Contentions explained that the direct infringers "copy, sell,
13 distribute, re-distribute, and use products that embody or incorporate" infringing portions of
14 Android. Trial Ex. 3071 at 7, Oracle's Second Supplemental Infringement Contentions. In
15 addition, Oracle accused "other mobile devices running Android" as directly infringing the
16 patents-in-suit and even identified representative third-party Android devices. (*Id.* at 2.)
17 Therefore, Oracle's Infringement Contentions provided sufficient notice that Oracle accuses
18 Google of inducing and contributing to third-party's direct infringement concerning any Android
19 mobile devices, and the jury should be instructed accordingly.

20 **L. Disputed Jury Instruction No. 39 re Patent – Willful Blindness**

21 As discussed in the contributory and inducing infringement sections above, willful
22 blindness may be used to satisfy the knowledge requirement of contributory and inducing
23 infringement. Oracle's proposed instruction on this point comes directly from the Supreme
24 Court's opinion in *Global-Tech. Global-Tech Appliances, Inc., v. SEB S.A.*, 131 S. Ct. 2060
25 (2011).

26 In *Global-Tech*, the Supreme Court held that there were two basic requirements for willful
27 blindness: "(1) the defendant must subjectively believe that there is a high probability that a fact
28 exists and (2) the defendant must take deliberate actions to avoid learning of that fact." *Global-*

1 *Tech*, 131 S. Ct. at 2070. The Court went on to find that “a willfully blind defendant is one who
 2 takes deliberate actions to avoid confirming a high probability of wrongdoing and who can almost
 3 be said to have actually known the critical facts.” *Global-Tech*, 131 S. Ct. at 2070-71. Oracle’s
 4 proposed instruction on willful blindness maps the Supreme Court’s holding in *Global-Tech*.

5 Google provides no alternative proposed instruction, but instead argues that Oracle’s
 6 proposed construction incorrectly imposes a duty of care. Google contends that the Federal
 7 Circuit in *Seagate* removed the duty of care from the willfulness analysis. Google is wrong. The
 8 Supreme Court issued its opinion on *Global-Tech* in 2011, well after the 2007 Federal Circuit
 9 decision in *Seagate*. Moreover, *Seagate* related to willfulness of patent infringement generally,
 10 not willful blindness. The *Global-Tech* opinion (and Oracle’s proposed instruction), specifically
 11 lays out the willful blindness inquiry for contributory and inducing infringement under 35 U.S.C.
 12 § 271(b) and § 271(c).

13 In *ePlus*, the U.S. District Court for the Eastern District of Virginia delivered a willful
 14 blindness instruction to the jury. *ePlus, Inc. v. Lawson Software, Inc.*, No. 3:09cv620, 2011 WL
 15 3584313, at *4 (E.D. Va. Aug. 12, 2011) (“The Supreme Court found no reason why willful
 16 blindness should not apply in civil actions for induced patent infringement under § 271(c), and
 17 determined that ‘a willfully blind defendant is one who takes deliberate actions to avoid
 18 confirming a high probability of wrongdoing and who can almost be said to have actually known
 19 the critical facts.’”) (citation omitted). Arguably, the *ePlus* court’s jury instruction imposes more
 20 of a duty of care than Oracle’s proposed construction: “Knowledge of the patent may be
 21 established by a finding that [the alleged infringer] had actual knowledge of the patent or that [the
 22 alleged infringer] deliberately disregarded a known risk that ePlus had a protective patent.”
 23 *ePlus*, 2011 WL 3584313, at *5. Oracle’s proposed instruction should be granted.

24 **M. Disputed Jury Instruction No. 40 re Patent – Willful Infringement**

25 **1. Willfulness only requires awareness of the patent portfolio, rather** 26 **than knowledge of the specific patents.**

27 Google proposes to add “In addition, to prove willful infringement of any of the asserted
 28 patents, Oracle must persuade you that it is highly probable that, prior to the filing date of the

1 complaint, Google acted with reckless disregard of the claims of that specific patent. General
 2 knowledge of potential patent rights does not suffice; Google must have been aware of the patent
 3 itself in order to be found to willfully infringe.” Google provides no support for this modification.
 4 Here, Google is adding several limitations that are not currently in the Model Instruction. In
 5 particular, Google is asking the Court to require Oracle to show that “Google must have been
 6 aware of the patent itself in order to be found to willfully infringe.” Indeed, Federal courts
 7 disagree with Google’s proposed modification, and have found that knowledge of the patents is
 8 not necessarily required. *Krippelz v. Ford Motor Co.*, 636 F. Supp. 2d 669, 671 n.2 (N.D. Ill.
 9 2009) (“Knowledge of [a] patent is not the same thing as knowledge of the high likelihood that
 10 one’s actions constituted infringement of a valid patent. However, one is far more likely to know
 11 of the infringement risk if one knows of the patent.”); *PalTalk Holdings, Inc. v. Microsoft Corp.*,
 12 No. 2:06-CV-367 (DF), 2009 U.S. Dist. LEXIS 131087, at *6-7 (E.D. Tex. Feb. 2, 2009). In
 13 *PalTalk*, defendants submitted a motion for summary judgment on the basis that it had no
 14 knowledge of the specific patents-in-suit prior to the lawsuit. Patentee responded by presenting
 15 circumstantial evidence to show that defendant had knowledge of the patents-in-suit and their
 16 related technology. *PalTalk*, 2009 U.S. Dist. LEXIS 131087, at *6-7. The court found that
 17 “knowledge may be actual or constructive. *See In re Seagate*, 497 F.3d at 1371 (constructive
 18 knowledge may satisfy the ‘*should have known* of an objectively high risk of infringement’ test).”
 19 *Id.* at *5. Patentee identified the fact that defendant entertained the prospect of licensing
 20 patentee’s portfolio, talks about possible mergers, and such. *Id.* at *6-7. The patentee contended
 21 that “these events demonstrate that [defendant] was aware both of the innovative characteristics
 22 of [patentee’s] technology and [its] development of a patent portfolio.” *Id.* The court held that
 23 “[a] reasonable jury could find based on the direct and circumstantial evidence presented that
 24 [defendant] had actual knowledge of the patents-in-suit.” *Id.* at *7.

25 Further, Oracle’s proposed instruction matches the Federal Circuit’s language in *Seagate*.
 26 The Federal Circuit held that “objective recklessness” requires that the patentee show that “the
 27 infringer acted despite an objectively high likelihood that its actions constituted infringement of a
 28 valid patent.” *In re Seagate Tech., LLC*, 497 F.3d 1360, 1371 (Fed. Cir. 2007) (emphasis added).

1 Further, the *Seagate* court found that “[t]he state of mind of the accused infringer is not relevant
2 to this objective inquiry.” *Id.* Therefore, Google’s proposed modification should be denied.

3 **2. Patent does not have to be valid and enforceable.**

4 Google proposes modification to the Model Instruction to add a requirement that “Google
5 ... knew or should have known that the patent in question was valid and enforceable.” As
6 discussed above, Oracle need not show that Google had knowledge of a specific patent to satisfy
7 the “objective recklessness” prong of the willfulness analysis. Oracle proposed instruction is the
8 Federal Circuit’s Model Instruction which specifically cites to *Seagate*. In *Seagate*, the Federal
9 Circuit held that “objective recklessness” requires that the patentee show that “the infringer acted
10 despite an objectively high likelihood that its actions constituted infringement of *a valid patent*.”
11 *In re Seagate Tech., LLC*, 497 F.3d 1360, 1371 (Fed. Cir. 2007) (emphasis added). The court in
12 *Seagate* did not require that the knowledge be of an enforceable patent. Patent validity and patent
13 enforceability are not the same things. Google provides no support for why “enforceable” should
14 be added to this instruction. Therefore, Google’s proposed modification should be denied.

15 **3. Willfulness belongs in the liability phase of trial.**

16 If this Court bifurcates the trial into liability and damages phases, the issue of willful
17 infringement should be tried during the liability phase. There is a significant overlap between the
18 evidence proving infringement and willful infringement. For example, numerous internal Google
19 documents on Android’s architecture also discuss aspects of the Java platform and reveal
20 Google’s knowledge of the need to take a Java license. Oracle also intends to examine the same
21 Google witnesses for both infringement and willful infringement.

22 The evidence of willful infringement is relevant to other issues that the jury must decide in
23 the liability phase as well. Oracle asserts that Google is liable for both direct and indirect
24 infringement of the Oracle patents. While the parties do not agree on the instructions for
25 willfulness or indirect infringement, they do agree that both require proof of knowledge and
26 intent.

27 Further, Google is asserting equitable defenses to infringement. Google has failed to
28 articulate factual bases for these defenses, but if Google is allowed to present them during the

liability phase, Google's evidence and Oracle's in response will bear directly on the issue of willfulness. *See Haworth, Inc. v. Herman Miller, Inc.*, No. 1:92CV877, 1993 WL 761974, at *3-4 (W.D. Mich. July 20, 1993) (willfulness to be tried in liability phase along with defendant's equitable defenses since proof of willful infringement could provide a basis for the plaintiff to negate the defendant's equitable defenses); *Wang Labs., Inc. v. Mitsubishi Elecs. Am., Inc.*, No. CV 92-4698 JGD, 1994 WL 471414, at *2 (C.D. Cal. Mar. 3, 1994), *aff'd on other grounds*, 103 F.3d 1571 (Fed. Cir. 1997) (willfulness bears on equitable estoppel defense and thus should be tried with liability).

These closely related issues would become intertwined at trial. *See Kos Pharms., Inc. v. Barr Labs., Inc.*, 218 F.R.D. 387, 393 (S.D. N.Y. 2003) ("questions regarding infringement and willfulness cannot always be neatly disaggregated into distinct evidentiary foundations grounded on entirely different witnesses and documents"); *THK Am., Inc. v. NSK Co. Ltd.*, 151 F.R.D. 625, 629 (N.D. Ill. 1993) ("A willfulness determination . . . is a finding of fact inextricably bound to the facts underlying the alleged infringement."). If the issue of willful infringement is left for the damages phase, Oracle will need to present much of the same evidence again. Accordingly, trying both infringement and willful infringement issues during the liability phase would promote judicial efficiency, conserve judicial resources, and respect the time commitment asked of the jurors.

N. Disputed Jury Instruction No. 41 re Patent – Burden of Proof

Oracle objects to Google's additional language on its burden of proving that the asserted patent claims are invalid. Google proposes that the jury decide whether Google met its burden of establishing "factual matters concerning invalidity" even though it has the burden of establishing invalidity as a whole. *See Hearing Components, Inc. v. Shure Inc.*, 600 F.3d 1357, 1373 (Fed. Cir. 2010).

Instead, the Court should use Oracle's proposed instruction, which tracks the Federal Circuit's Model Instruction and states: "To prove that any claim of a patent is invalid, [Google] must persuade you by clear and convincing evidence, i.e., you must be left with a clear conviction that the claim is invalid." Oracle is willing to agree to use the Northern California's Model

1 Instruction, which has a similar language but uses the phrase “highly probable” instead of “clear
2 and convincing evidence.” Google’s additional language does not appear in the Federal Circuit’s
3 or the Northern California’s Model Instructions, and would likely mislead and confuse the jury.

4 First, Google’s proposed instruction suggests that Google has the burden of establishing
5 only “factual matters concerning invalidity” and ignores the fact that Google has the burden of
6 establishing invalidity as a whole by clear and convincing evidence. The additional language
7 could mislead the jury into believing that a lower standard of proof is applicable to Google’s
8 invalidity defense.

9 Second, Google’s proposed instruction would confuse the jury as to how it should decide
10 whether an asserted patent claim is anticipated by prior art. Anticipation is a factual
11 determination. *z4 Techs., Inc. v. Microsoft Corp.*, 507 F.3d 1340, 1347 (Fed. Cir. 2007).
12 Therefore, the jury’s anticipation inquiry would only involve “factual matters.” The additional
13 language expressly calling out such “factual matters” could mislead the jury into thinking that the
14 anticipation inquiry requires non-factual analysis.

15 Third, Google’s proposed instruction would confuse the jury as to how it should decide
16 whether an asserted patent claim is obvious in view of prior art. Determination of obviousness
17 under 35 U.S.C. § 103 involves several factual inquiries: the scope and content of the prior art;
18 differences between the prior art and the claim at issue; and the level of ordinary skill in the
19 pertinent art. *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966). The jury would be confused as
20 to how it should render a verdict of nonobviousness or obviousness if it were instructed to
21 separate its role to find facts from the role of trial judge in reaching the ultimate legal conclusion
22 of obviousness. Separating the two roles should be left for the Court. A far simpler task for the
23 jury is to render a nonobviousness or obviousness verdict based on its factual findings. “[W]hen
24 a jury returns a general verdict, the law presumes the existence of fact findings implied from the
25 jury’s having reached that verdict.” *R.R. Dynamics, Inc. v. A. Stucki Co.*, 727 F.2d 1506, 1516
26 (Fed. Cir. 1984). There is no need to specifically ask the jury whether Google proved the facts
27 underlying the nonobviousness or obviousness determination, for there are too many disputed
28 issues to put into a special verdict form. Neither Oracle’s nor Google’s proposed verdict forms

1 include a list of any “factual matters concerning invalidity” that the jury is to decide. Google’s
 2 requested jury instructions do not match the approach that it took in its verdict form. Oracle’s
 3 instruction hews closely to the form instruction and will help, not confuse, the jury.

4 Accordingly, Google’s proposed additional language regarding the burden of proof as to
 5 invalidity should be denied.

6 **O. Disputed Jury Instruction No. 43 re Patent – Invalidity – Obviousness**

7 Obviousness forms the bulk of Google’s patent invalidity case against Oracle. Google
 8 argues obviousness against *17* of Oracle’s 26 patent claims, covering five of the six patents-in-
 9 suit. But Google’s proposed jury instructions do not do enough to guide the jury on the analysis
 10 required to decide obviousness. There is no question that obviousness is a fact-intensive inquiry.
 11 Yet Google’s proposed jury instructions omit the numerous factual predicates necessary to reach
 12 a determination of obviousness (*e.g.*, that the jury must avoid hindsight bias).

13 In comparison, Google’s proposed verdict form on obviousness is completely unwieldy
 14 and yet still misses the complexities underlying factual determinations in support of an ultimate
 15 conclusion on obviousness (*e.g.*, weight and credibility determinations).

16 Oracle proposes a simple verdict form question asking the jury to decide validity,
 17 supported by a full set of jury instructions tracking the Federal Circuit Model Patent Jury
 18 Instructions (dated Feb. 18, 2010) and Alternative 2 of the Model Patent Jury Instructions for the
 19 Northern District of California (dated Nov. 29, 2007). The aim of this approach is to have the
 20 jury reach a defensible conclusion with guidance sufficient to capture the factual inquiries needed
 21 to make an obviousness determination.

22 **1. Google’s Proposed Instructions Fail to Adequately Instruct the Jury**
 23 **on the Factual Predicates Legally Necessary to Support a Finding of**
 24 **Obviousness.**

25 Determination of obviousness is a complex inquiry with many factual predicates. Laying
 26 out the *Graham* factors, the Supreme Court defined the framework for applying the statutory
 language of § 103 as follows:

27 “Under § 103, the scope and content of the prior art are to be determined;
 28 differences between the prior art and the claims at issue are to be ascertained;
 and the level of ordinary skill in the pertinent art resolved. Against this

background the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.”

KSR International Co. v. Teleflex Inc., 550 U.S. 398, 406 (2007) (quoting *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 17-18 (1966)).

The question of obviousness turns on numerous factual inquiries underlying each of the *Graham* factors. See, e.g., *Daiichi Sankyo Co. v. Apotex, Inc.*, 501 F.3d 1254, 1256 (Fed. Cir. 2007) (factors to consider in determining the level of ordinary skill); *In re Icon Health & Fitness, Inc.*, 496 F.3d 1374, 1379-80 (Fed. Cir. 2007) (standards for determining scope and content of prior art). The Federal Circuit Model Patent Jury Instructions (dated Feb. 18, 2010) explain to the jury the factual predicates necessary to make an obviousness determination (pp. 59-63); the Model Patent Jury Instructions for the Northern District of California (dated Nov. 29, 2007) provide an example that tracks the Federal Circuit model (pp. 34-38).

But Google’s proposal on obviousness omits many jury instructions necessary to make a determination of obviousness that is consistent with the law. For example, in asking the jury to determine whether the claimed invention of the patents-in-suits was obvious, nowhere does Google include the following instructions (as excerpted from either the Federal Circuit Model Patent Jury Instructions (dated Feb. 18, 2010) or Model Patent Jury Instructions for the Northern District of California (dated Nov. 29, 2007)):

- “Do not use hindsight, *i.e.*, consider only what was known at the time of the invention.” This principle was reiterated in *KSR International Co. v. Teleflex Inc.*, 550 U.S. 398, 421 (2007) (“A factfinder should be aware, of course, of the distortion caused by hindsight bias and must be cautious of arguments reliant upon *ex post* reasoning.”) (citing *Graham*, 383 U.S., at 36 (warning against a “temptation to read into the prior art the teachings of the invention in issue” and instructing courts to “guard against slipping into use of hindsight”) (internal citation omitted)).
- “Keep in mind that the existence of each and every element of the claimed invention in the prior art does not necessarily prove obviousness. Most, if not all, inventions rely on building blocks of prior art.” As the Supreme Court explained:

As is clear from cases such as *Adams*, a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art. Although common sense directs one to look with care at a patent application that claims as innovation the combination of two known devices according to their

established functions, it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does. This is so because inventions in most, if not all, instances rely upon building blocks long since uncovered, and claimed discoveries almost of necessity will be combinations of what, in some sense, is already known.

KSR, 550 U.S. at 418-19.

- “In considering whether a claimed invention is obvious, you may but are not required to find obviousness if you find that at the time of the claimed invention [or the critical date] there was a reason that would have prompted a person having ordinary skill in the field of [the invention] to combine the known elements in a way the claimed invention does, taking into account such factors as (1) whether the claimed invention was merely the predictable result of using prior art elements according to their known function(s); (2) whether the claimed invention provides an obvious solution to a known problem in the relevant field; (3) whether the prior art teaches or suggests the desirability of combining elements claimed in the invention; (4) whether the prior art teaches away from combining elements in the claimed invention; (5) whether it would have been obvious to try the combinations of elements, such as when there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions; and (6) whether the change resulted more from design incentives or other market forces. To find it rendered the invention obvious, you must find that the prior art provided a reasonable expectation of success. Obvious to try is not sufficient in unpredictable technologies.” *See, e.g., KSR*, 550 U.S. at 414 (“That it might have been obvious to try the combination of Asano and a sensor was likewise irrelevant, in the court’s view, because “ ‘[o]bvious to try’ has long been held not to constitute obviousness.”” (citations and quotations omitted); *id.* at 419-20; *see also, e.g., In re Brimonidine Patent Litig.; Allergan, Inc. v. Exela Pharmsci Inc.*, 643 F.3d 1366, 1376 (Fed. Cir. 2011) (“Apotex’s ‘obvious to try’ arguments, based on *KSR*, are unavailing in light of the district court’s factual findings.”).
- “The presence of any of the [appropriate list of non-obviousness objective evidence] may be considered by you as an indication that the claimed invention would not have been obvious at the time the claimed invention was made, and the presence of the [appropriate list of obviousness objective evidence] may be considered by you as an indication that the claimed invention would have been obvious at such time. Although you should consider any evidence of these factors, the relevance and importance of any of them to your decision on whether the claimed invention would have been obvious is up to you.” *See, e.g., Hynix Semiconductor Inc. v. Rambus Inc.*, 645 F.3d 1336, 1353 (Fed. Cir. 2011) (“First, in *KSR*, 550 U.S. at 419, the Supreme Court noted that “market demand” is a legitimate consideration in determining obviousness. Lowering cost is a ubiquitous market demand, and the fact that a combination is expected to increase cost has some bearing on the obviousness of that combination.”); *id.* (“Second, the district court’s statement referring to the ease of recognizing the benefits of a combination was to explain why the ‘incentive to combine existing pieces of circuitry’ was not controlling, i.e., because it was unclear whether the combination would be beneficial or detrimental. How well a combination is expected to work is certainly a legitimate consideration in an obviousness inquiry.”); *Pentec, Inc. v. Graphic Controls Corp.*, 776 F.2d 309, 315 (Fed. Cir. 1985) (“Indeed, evidence of secondary considerations may often be the most probative and cogent evidence in the record. It may often establish that an invention appearing to have been obvious in light of the prior art was not.”) (citation omitted).
- “In considering whether the claimed invention was obvious, you must first determine the scope and content of the prior art. The scope and content of prior art for deciding whether the invention was obvious includes prior art in the same field as the claimed invention, regardless

of the problem addressed by the item or reference, and prior art from different fields that a person of ordinary skill in the art using common sense might combine if familiar so as to solve the problem, like fitting together the pieces of a puzzle.” *KSR*, 550 U.S. at 420; *In re Icon Health & Fitness, Inc.*, 496 F.3d 1374, 1379-80 (Fed. Cir. 2007); *Princeton Biochems., Inc. v. Beckman Coulter, Inc.*, 411 F.3d 1332, 1339 (Fed. Cir. 2005).

- “When a party attacking the validity of a patent relies on prior art which was specifically considered by the Examiner during the prosecution of the application leading to the issuance of the patent, that party bears the burden of overcoming the deference due a qualified government agency official presumed to have performed his or her job.” *See, e.g., American Hoist & Derrick Co. v. Sowa & Sons*, 725 F. 2d 1350, 1359 (Fed. Cir. 1984) (“When no prior art other than that which was considered by the PTO examiner is relied on by the attacker, he has the added burden of overcoming the deference that is due to a qualified government agency presumed to have properly done its job, which includes one or more examiners who are assumed to have some expertise in interpreting the references and to be familiar from their work with the level of skill in the art and whose duty it is to issue only valid patents.”)

Google’s obviousness proposal fails to include these important instructions and should be rejected.

For these reasons, Google’s proposed jury instructions are inadequate to aid the jury in making a proper determination of obviousness. Oracle’s instructions track the Federal Circuit Model Patent Jury Instructions (dated Feb. 18, 2010) and Alternative 2 of the Model Patent Jury Instructions for the Northern District of California (dated Nov. 29, 2007). Oracle’s proposed instructions, in contrast to Google’s, adhere to the legal requirements necessary to explain the obviousness inquiry to the jury. Therefore, Oracle’s instructions should be adopted.

2. Google’s Complex Verdict Form on Obviousness is Unduly Burdensome to the Jury.

Google’s proposed verdict form on obviousness exhibits the following pattern (footnote in the original):

20. The ultimate legal conclusion on the obviousness question will be made by the court. However, in order for the court to do so, you must answer the following preliminary factual questions:¹

¹ This formulation of the verdict form for obviousness is taken from the Sample Verdict Form from the Model Patent Jury Instructions for the Northern District of California corresponding to the use of Alternative 1 of the model instruction regarding Obviousness, which Google proposes adopting.

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a. What was the level of ordinary skill in the field that someone would have had at the time the claimed invention was made? (check the applicable answer)

_____ [Oracle's contention]

_____ [Google's contention]

_____ [other, specify]

b. What was the scope and content of the prior art at the time of the claimed invention? (check the applicable answer)

_____ [set forth what Google has offered as the invalidating prior art]

_____ [set forth what Oracle asserts was within the scope and content of the prior art]

_____ [other, specify]

c. What difference, if any, existed between the claimed invention and the prior art at the time of the claimed invention?

_____ [set forth Google's contention as to the difference]

_____ [set forth Oracle's contention as to the difference]

_____ [other, specify]

d. Which of the following factors has been established by the evidence with respect to the claimed invention: (check those that apply)

[verdict form should list only those factors for which a *prima facie* showing has been made]:

_____ commercial success of a product due to the merits of the claimed invention

_____ a long felt need for the solution that is provided by the claimed invention

_____ unsuccessful attempts by others to find the solution that is provided by the claimed invention

_____ copying of the claimed invention by others unexpected and superior results from the claimed invention

_____ acceptance by others of the claimed invention as shown by praise from others in the field or from the licensing of the claimed invention

_____ independent invention of the claimed invention by others before or at about the same time as the named inventor thought of it

_____ [other factor(s) indicating obviousness or nonobviousness—describe the factor(s)]

Google adopted the Sample Verdict Form from the Model Patent Jury Instructions for the Northern District of California corresponding to the use of Alternative 1 of the model instruction regarding obviousness, but there is a serious problem with that approach: that sample addresses *one patent claim*.

1 In this case, Google's obviousness verdict form must be expanded to cover **17** claims of **5**
 2 patents-in-suit in light of **12** alleged prior art references – some of which are voluminous – in six
 3 combinations. In other words, had Google actually listed its proposed verdict form questions for
 4 each of its obviousness defenses, Google's proposed verdict form would have been 17 pages
 5 longer. Had Google listed each combination for each patent claim at issue, Google's proposed
 6 verdict form would be 21 pages longer.

7 Google's verdict form is already 15 pages long without these additions. A 36-page verdict
 8 form is completely unwieldy and overly burdensome on a jury already tasked with a factually
 9 complex and difficult inquiry.

10 **3. Google's Complex Verdict Form on Obviousness Does Not Properly** 11 **Account for the Factual Inquiries Underlying an Obviousness** **Determination.**

12 Google's proposed verdict form on obviousness misses the complexities underlying
 13 factual determinations in support of an ultimate conclusion on obviousness. Obviousness is a
 14 question of law based on underlying findings of fact. *KSR*, 550 U.S. at 427 ("The ultimate
 15 judgment of obviousness is a legal determination."); *Kao Corp. v. Unilever U.S., Inc.*, 441 F.3d
 16 963, 968 (Fed. Cir. 2006) ("Because patents are presumed to be valid, *see* 35 U.S.C. § 282, an
 17 alleged infringer seeking to invalidate a patent on obviousness grounds must establish its
 18 obviousness by facts supported by clear and convincing evidence.") (citation omitted).

19 But the division of labor between the Court and the jury to meet this legal standard is
 20 anything but clear-cut. Google's unwieldy obviousness verdict form is inadequate because the
 21 underlying questions of fact to support an obviousness determination are not all amenable to
 22 yes/no answers. For example, the "scope and content of the prior art" is not a yes/no inquiry and
 23 must be determined under *Graham*, 383 U.S. at 17-18. The dispute between the parties is not
 24 whether "Reference X" is or is not prior art, the dispute between the parties is what the disclosure
 25 of "Reference X" *means*, and that is not reflected in the verdict form. Likewise, secondary
 26 considerations such as commercial success, copying, acceptance by others are not amenable to a
 27 yes/no answer. **How** successful were the products embodying the invention? **How many** others
 28 copied the invention? **How much** praise did the invention receive, and **how many** others licensed

1 it? Asking jurors to merely side with patent holder or alleged infringer does not resolve the issue
 2 because the evidence relevant to an obviousness determination must be weighed, with the jury
 3 making credibility determinations. *See, e.g., Novo Nordisk A/S v. Becton Dickinson & Co.*, 304
 4 F.3d 1216, 1219 (Fed. Cir. 2002) (“Novo stresses its evidence of commercial success and
 5 copying. Although Novo points to the absence of documentary evidence of motivation and
 6 criticizes the presentation of ‘conclusory’ testimony by Becton’s witnesses, these are matters of
 7 weight and credibility.”). For another example, jurors must weigh the relative strengths of
 8 competing secondary considerations of obviousness and non-obviousness. *See, e.g., Specialty*
 9 *Composites v. Cabot Corp.*, 845 F.2d 981, 991 (Fed. Cir. 1988) (“Weight was given to the
 10 commercial success of the earplugs and the court determined (after considering the alternative
 11 explanations for success advanced by Specialty) that this success was due to the merits of the
 12 invention.”); *Pentec, Inc. v. Graphic Controls Corp.*, 776 F.2d 309, 317 (Fed. Cir. 1985) (“GC’s
 13 copying argument can, accordingly, be given little weight.”). For these reasons, Google’s 21-
 14 page special verdict form for obviousness is ***too short***. It does not do enough to help the jury
 15 make all of the factual findings needed for obviousness.

16 Because of these practical problems, district courts have submitted the ultimate question
 17 of obviousness to the jury. *See, e.g., Hynix Semiconductor Inc. v. Rambus Inc.*, 645 F.3d 1336,
 18 1353 (Fed. Cir. 2011) (appeal from the Northern District of California) (“The district court
 19 submitted the question of obviousness of claims 24 and 33 of the ’918 patent; claim 33 of the
 20 ’120 patent; claims 9, 28, and 40 of the ’916; and claim 16 of the ’863 patent to the jury.”); *Novo*
 21 *Nordisk A/S v. Becton Dickinson & Co.*, 304 F.3d 1216, 1218 (Fed. Cir. 2002) (“The jury
 22 concluded that the ’535 and ’323 patents are invalid on the ground of obviousness, in view of
 23 several references offered by Becton.”). Indeed, there is no need to adopt Google’s approach.
 24 For further reasons described below, Oracle proposes taking a simple approach of adopting the
 25 form obviousness jury instructions from the Federal Circuit Model Patent Jury Instructions (dated
 26 Feb. 18, 2010) and Alternative 2 of the Model Patent Jury Instructions for the Northern District of
 27 California (dated Nov. 29, 2007) and a simple verdict form question that captures an obviousness
 28 determination that is both true to the law and within the jury’s ability to understand.

1 **4. A Simple Verdict Form Question on Invalidity Is an Appropriate**
 2 **Solution.**

3 Oracle proposes that a simple verdict form question asking the jury to decide validity is
 4 the way to go, assuming the jury is given a proper instruction on obviousness.

5 In fact, courts have adopted the approach of asking the jury to determine anticipation and
 6 obviousness in the form of a single question, *e.g.*: “Did Defendant prove by clear and convincing
 7 evidence that X claims of Y patent are invalid?” *See, e.g., i4i Ltd. P’ship v. Microsoft Corp.*, 598
 8 F.3d 831, 845 (Fed. Cir. 2010) (“The verdict form did not require the jury to make separate
 9 findings for the different pieces of prior art. Instead, the form asked: ‘Did Microsoft prove by
 10 clear and convincing evidence that any of the listed claims of the ’449 patent are invalid?’ The
 11 jury was instructed to answer ‘yes’ if it found a particular claim invalid, but otherwise answer
 12 ‘no.’ The jury found all the asserted claims not invalid.”); *id.* at 846 (“Because we must view the
 13 evidence in the light most favorable to the verdict, all of these questions must be resolved against
 14 Microsoft, and in favor of i4i. In light of the jury’s implicit factual findings, Microsoft has not
 15 established that the asserted claims would have been obvious.”) (citations omitted); *Orthokinetics,*
 16 *Inc. v. Safety Travel Chairs, Inc.*, 806 F.2d 1565, 1581-83 (Fed. Cir. 1986) (upholding jury
 17 verdict based on a general verdict on validity).

18 Here, too, a simple verdict form question asking the jury to decide validity can and should
 19 be submitted to the jury.

20 **P. Disputed Jury Instruction No. 46- 49 re Equitable Defenses – Equitable**
 21 **Estoppel, Laches, Waiver and Implied License**

22 **1. Equitable Issues Are For the Court, Not the Jury**

23 Google has raised a number of equitable defenses in this case, including laches, equitable
 24 estoppel, waiver and implied license. None of these defenses should be presented to the jury. *See*
 25 *also ABB Robotics Inc. v. GMFanuc Robotics Corp.*, 52 F.3d 1062, 1063 (Fed. Cir. 1995)
 26 (“Being an equitable doctrine, estoppel is committed to the sound discretion of the trial judge
 27 whose decision we review under the abuse of discretion standard.”); *Hemstreet v. Computer Entry*
 28 *Sys. Corp.*, 972 F.2d 1290, 1292 (Fed. Cir. 1992) (“Laches and estoppel are equitable defenses,
 committed to the sound discretion of the trial court.”); *A. C. Aukerman Co. v. R. L. Chaides*

1 *Constr. Co.*, 960 F.2d 1020, 1028 (Fed. Cir. 1992) (“As equitable defenses, laches and equitable
 2 estoppel are matters committed to the sound discretion of the trial judge and the trial judge’s
 3 decision is reviewed by this court under the abuse of discretion standard.”); *Met-Coil*, 803 F.2d at
 4 687 (“The sole disputed issue decided by the trial court, the existence of an implied license, is a
 5 question of law.”); *see also Anton/Bauer, Inc. v. PAG, Ltd.*, 329 F.3d 1343, 1348 (Fed. Cir. 2003)
 6 (“Relevant to this case, the existence *vel non* of an implied license is a question of law that we
 7 review *de novo*.”). Indeed, the parties have already stipulated in the Joint Proposed Pre-Trial
 8 Conference Order that these defenses are matters reserved for the Court. ECF No. 525 at 10, 12,
 9 Parties’ Joint Proposed Pretrial Order (October 13, 2011).

10 Nevertheless, Google continues to insist that the jury be instructed on these equitable
 11 issues. Google’s rationale is unclear. Equitable issues may be submitted to a jury only with the
 12 consent of both parties. And here, Oracle has not consented. *See* Fed. R. Civ. P. 39(c); *Wang*
 13 *Labs., Inc. v. Mitsubishi Elecs. Am., Inc.*, 103 F.3d 1571, 1578 (Fed. Cir. 1997) (“The parties
 14 agreed to submit Mitsubishi’s implied license defense to the jury and the jury found an implied
 15 license to exist”). There is simply no basis to provide the jury with additional, detailed
 16 instructions that will not be useful.

17 If the Court does, however, decide to present these equitable defenses in an advisory
 18 instruction to the jury, then Oracle’s proposed instructions should be adopted for the reasons
 19 discussed below.

20 **2. Equitable Estoppel - Disputed Instruction No. 47**

21 Oracle notes the following problems with Google’s proposed instruction on equitable
 22 estoppel, which would be remedied by adopting Oracle’s proposal instead. First, while Google’s
 23 proposed instruction references the standards for equitable estoppel for both patent and copyright
 24 cases, it is confusing because it does not clearly explain which standard applies to patents and
 25 which applies to copyrights. Oracle’s proposed instruction, on the other hand, defines the two
 26 standards separately and clearly explains the relevant differences.

27 Second, Google’s instruction fails to mention the requirement that it must satisfy a duty of
 28 care with respect to Oracle’s copyrights. *Hampton v. Paramount Pictures Corp.*, 279 F.2d 100,

1 104 (9th Cir. 1960) (“The doctrine of equitable estoppel does not erase the duty of due care and is
 2 not available for the protection of one who has suffered loss solely by reason of his own failure to
 3 act or inquire.”). Google cannot avail itself of the defense of equitable estoppel if it failed to act
 4 or inquire about Oracle’s copyrights. *See id.* The jury should be instructed on this point because
 5 it clarifies Google’s burden.

6 Third, Google’s instruction improperly suggests that silence alone can create an estoppel.
 7 Oracle’s proposed instruction correctly explains that this is not the case. *Hemstreet v. Computer*
 8 *Entry Sys. Corp.*, 972 F.2d 1290, 1295 (Fed. Cir. 1992) (“Although defendant correctly notes that
 9 equitable estoppel may in some instances be based upon a misleading silence, mere silence must
 10 be accompanied by some other factor which indicates that the silence was sufficiently misleading
 11 as to amount to bad faith.”). Moreover, Google has, in its Amended Answer, already admitted
 12 that it relied on more than just Oracle’s silence. ECF No. 51 at 9 ¶ 7, Google Inc.’s Answer to
 13 Plaintiff’s Amended Complaint for Patent Infringement and Amended Counterclaims (November
 14 10, 2010) (“[T]he statements and actions of Oracle and its predecessor Sun Microsystems, Inc.
 15 (“Sun”) were such that it was reasonable to infer that Oracle did not intend to enforce its patents,
 16 Google relied on the misleading conduct, and Google will be materially prejudiced if Oracle is
 17 allowed to proceed with its claim.”). Google cannot now suggest or contend that any silence of
 18 Oracle was sufficient to create an estoppel.

19 Fourth, Google’s proposed instruction nowhere mentions that Oracle’s conduct must have
 20 supported an inference by Google that Oracle did not intend to bring an infringement suit. *A. C.*
 21 *Aukerman Co. v. R. L. Chaides Constr. Co.*, 960 F.2d 1020, 1042 (Fed. Cir. 1992) (“The
 22 patentee’s conduct must have supported an inference that the patentee did not intend to press an
 23 infringement claim against the alleged infringer.”). This is an important point because it clarifies
 24 the nature of Google’s reliance on Oracle’s allegedly misleading conduct, and the elements of
 25 equitable estoppel require Google to show such reliance. *See id.* at 1041.

26 Finally, Google’s instruction improperly includes reference to evidentiary harm.
 27 Although this language is taken from the Model Instructions, it has no place in the instant case.
 28

Google has not argued that it suffered evidentiary harm by relying on any alleged misleading conduct. Including such an instruction will only confuse the jury on a non-issue.

3. Laches - Disputed Instruction No. 46

a. The Facts of the Case Do Not Support a Laches Defense

Oracle contends that it is not necessary to provide a jury instruction on laches here, as Google has not articulated facts sufficient to support this defense. Laches requires that Oracle's delay in filing the lawsuit was unreasonable and inexcusable. Additionally, any delay by Oracle is measured from the time Oracle discovered, or should have discovered, that Google was infringing Oracle's patents. Oracle's actions in determining that Google infringed its patents and subsequent filing of this lawsuit fall far short of a laches claim. For example, Oracle was obligated to obtain and examine Android source code to determine that it infringed. Yet Google did not make this code available until October of 2008. And Oracle brought suit in August of 2010. Thus, less than two years elapsed between the time that Oracle could have known that Android infringed, and the time that Oracle brought suit. This is hardly an unreasonable amount of time. Furthermore, Oracle's use of that time, to examine Android source code, was not unreasonable. Google has not presented facts showing otherwise. A laches claim in this case is simply not possible.

If, however, the Court offers such an instruction, Oracle offers its proposed instruction below and asks that the actual instruction be further tailored to what proof Google purports to offer at trial in support of this defense.

b. Oracle's Proposed Instruction More Accurately Addresses The Period of Delay and Relevant Justifications.

Neither the Model Instructions nor Google's proposed instructions advise the jury on how to measure the time period of delay. Oracle's proposed instruction does. For both patent and copyright, delay is measured from the time that Oracle knew, or should have known, of Google's infringement. *A. C. Aukerman*, 960 F.2d at 1032 ("[T]he plaintiff delayed filing suit for an unreasonable and inexcusable length of time from the time the plaintiff knew or reasonably should have known of its claim against the defendant."); *Kling v. Hallmark Cards Inc.*, 225 F.3d

1 1030, 1036 (9th Cir. 2000) (“[A]ny delay is to be measured from the time that the plaintiff knew
 2 or should have known about the potential claim at issue.”). Because unreasonable delay is one of
 3 the elements necessary to prove laches, the jury should be instructed on how to measure it.

4 Google’s proposed instruction also misleads the jury as to the standard for unreasonable
 5 delay in copyright. Google’s instruction acknowledges the six year presumption applicable to
 6 laches in the patent context, but then gives another fixed time period – three years – for copyright.
 7 While Google does not state outright that a fixed three-year presumption applies, its proposed
 8 instruction strongly suggests it. But unlike patents, there is not fixed time period for laches in a
 9 copyright case. Google’s reference to *Danjaq LLC v. Sony Corp.* on this point is inapposite. 263
 10 F.3d 942 (9th Cir. 2001). In *Danjaq*, the court considered whether a copyright infringement
 11 claim brought within the time period for the statute of limitations could nonetheless be barred by
 12 laches. *See id.* at 955 (“The very purpose of laches as an equitable doctrine – and the reason that
 13 it differs from a statute of limitations – is that the claim is barred because the plaintiff’s delay
 14 occasioned the defendant’s prejudice.”). This is not an issue in the present case. Moreover, the
 15 copyright claims in *Danjaq* were delayed between nineteen and thirty-six years. *See id.* at 952.
 16 Regardless, the *Danjaq* court observed that finding laches within three years, the copyright
 17 limitations period, requires “extraordinary circumstances.” *Id.* at 954. Google’s proposed
 18 instructions mislead the jury by making this extraordinary case an ordinary instruction.

19 Unreasonable delay, for the purposes of laches, is not predicated upon a certain time
 20 period. Rather, a finding of laches requires an investigation into whether the delay was
 21 unreasonable. *See id.* at 951; *Winn v. Opryland Music Group, Inc.*, 22 Fed. Appx. 728, 729 (9th
 22 Cir. Cal. 2001). Oracle’s proposed instruction accurately reflects the law and correctly instructs
 23 the jury on this point

24 Lastly, Oracle objects to Google’s suggestion that a particular species of delay (*i.e.* if a
 25 company delays while considering whether it would be profitable to bring suit) is impermissible.
 26 Some courts have held that this kind of delay will not excuse laches (*see Baker Mfg. Co. v.*
 27 *Whitewater Mfg. Co.*, 430 F.2d 1008, 1014 (7th Cir. 1970)), while others have found that this
 28 profitability provides a valid excuse. *Cf. Tripp v. United States*, 406 F.2d 1066, 1071 (Ct. Cl.

1969) (“[P]laintiff, an individual, could reasonably delay bringing suit until he could determine that the extent of possible infringement made litigation monetarily ripe.”). Given the uncertainty and the fact that the jury will already have an adequate instruction--both Oracle’s and Google’s proposed instructions agree that there must be unreasonable delay and that delay on the part of Oracle may be justified in some instances—there is no reason to provide additional, confusing detail.

4. Disputed Jury Instruction No. 48 - Waiver

a. The Facts Do Not Support a Waiver Defense.

As a threshold matter, Oracle contends that it is not necessary to provide an instruction on waiver, because Google has not articulated facts sufficient to support this defense. On the patent claims, Google cites *Qualcomm* in support of its instruction. But *Qualcomm* is inapplicable because the court in that case dealt with a failure to disclose patents in a standards- setting context. *Qualcomm*, 548 F.3d. at 1008. Oracle does not face a similar duty on its Java-related patents.

Google’s copyright argument fares no better. Google cites to *United States v. King Features Entertainment, Inc.*, where the Ninth Circuit concluded that “the[] facts demonstrate that there is no genuine issue remaining with respect to waiver.” 843 F.2d 394, 399 (9th Cir. 1988). The court there held that the appellant “did not intentionally relinquish any of its known rights,” as evidenced by the appellant’s interpretation of a copyright license agreement, documented in an internal memorandum and handwritten notes. In the instant case, there are no facts showing that Oracle intended to waive its known rights in the Java-related copyrights.

b. Any Instruction Should Include Only “True Waiver” as “Implied Waiver” Does Not Apply in This Case

Oracle also objects to Google’s proposed jury instruction because it improperly instructs the jury as to implied waiver. As the Ninth Circuit found in *Qualcomm*, “the application of implied waiver in the [standards-setting organization] context where the district court found intentional nondisclosure in the face of a duty to speak” warrants an instruction on implied waiver. *Qualcomm*, 548 F.3d at 1021-22. The facts of this case are completely different. Here,

1 there was no silence in the face of an affirmative duty to speak from which the jury can infer that
 2 Oracle intended to relinquish its intellectual property rights.

3 Because “implied waiver” does not apply, at most, the waiver instruction should describe
 4 “true waiver.” In fact, because the jury may be evaluating various equitable defenses that sound
 5 similar (*e.g.*, waiver, laches, estoppel, implied license), an instruction regarding “true waiver”
 6 may help to distinguish waiver from the other equitable defenses. Language such as the
 7 following, which is derived from the Court’s ruling in the *Novell* case, would be useful: “Waiver
 8 exists where there is unequivocal intent to knowingly and intentionally waive one’s rights to
 9 claim infringement of its intellectual property.” *Novell, Inc. v. Weird Stuff, Inc.*, No. C92-20467
 10 JW/EAI, 1993 U.S. Dist. LEXIS 6674, at *54 (N.D. Cal. May 14, 1993) (“Novell manifested its
 11 unequivocal intent to discard the disputed disk and to keep the disks off the market, and therefore,
 12 did not knowingly and intentionally waive its right to claim copyright infringement.”); *see also*
 13 *Adidas-Am., Inc. v. Payless Shoesource, Inc.*, 546 F. Supp. 2d 1029, 1074-75 (D. Or. 2008)
 14 (because defendant did not proffer evidence of a “clear, decisive and unequivocal” intent by
 15 plaintiff to relinquish any of its trademark or trade dress rights, there was no waiver) (quoting
 16 *United States v. Amwest Surety Ins. Co.*, 54 F.3d 601, 602-03 (9th Cir. 1995)).

17 Oracle notes that to the extent an instruction on waiver is offered at all, the last sentence
 18 of Google’s instruction—that “[w]aiver does not require any act or conduct by the other party”—
 19 contradicts this Court’s holding in *Novell*, which explained that “failure to act, without more, is
 20 insufficient evidence of a trademark owner’s intent to waive its right to claim infringement.”
 21 *Novell*, 1993 U.S. Dist. LEXIS 6674, at *41, *54. *See Adidas-Am., Inc. v. Payless Shoesource,*
 22 *Inc.*, 546 F. Supp. 2d 1029, 1074 (D. Or. 2008) (“Although mere silence can be a basis for a claim
 23 of estoppel when a legal duty to speak exists, waiver must be manifested in an unequivocal
 24 manner”).

25 **5. Disputed Jury Instruction No. 49 - Implied License**

26 **a. The facts in this case do not support finding an implied license.**

27 Oracle objects to this proposed instruction at the outset because the facts of this case do
 28 not support an implied license defense. Implied licenses arise out of a transaction between the

parties where the patented device is the subject of a sale *by the patent owner*. Thus, the analysis used by courts begins with a sale, a fact which is not present in this case: Google did not buy or even license anything from Oracle. *See e.g., Anton/Bauer, Inc. v. PAG, Ltd.*, 329 F.3d 1343, 1350 (Fed. Cir. 2003) (“A patentee grants an implied license to a purchaser when (1) the patentee sells an article that has no noninfringing uses and (2) the circumstances of the sale plainly indicate that the grant of a license should be inferred.”); *Met-Coil Systems Corp. v. Korners Unlimited, Inc.*, 803 F.2d 684, 686 (Fed. Cir. 1986) (“This court set out two requirements for the grant of an implied license by virtue of a sale of nonpatented equipment used to practice a patented invention. First, the equipment involved must have no noninfringing uses Second, the circumstances of the sale must plainly indicate that the grant of a license should be inferred”) (internal quotations omitted). Including this instruction where no legitimate claim exists is unnecessary and prejudicial.

b. Oracle’s Proposed Instruction More Closely Follows the Legal Standard for Implied License

If the court nevertheless finds that a jury instruction for an implied license is warranted, there are numerous problems with Google’s proposed instruction. Oracle’s instruction remedies many of these problems and should be adopted.

First, Google improperly instructs the jury that “acts of acquiescence or acts of misrepresentation” can constitute conduct sufficient to support an implied license. The case law does not support this lower threshold. In fact, more than misleading conduct is required as this is what sets an implied license apart from equitable estoppel. In an implied license, the plaintiff must have made an affirmative grant of permission to the accused infringer to use the patented inventions or copyrighted works. *Wang Labs., Inc. v. Mitsubishi Elecs. Am., Inc.*, 103 F.3d 1571, 1581 (Fed. Cir. 1997) (“The primary difference between the estoppel analysis in implied license cases and the analysis in equitable estoppel cases is that implied license looks for an affirmative grant of consent or permission to make, use, or sell: i.e., a license. Equitable estoppel, on the other hand, focuses on ‘misleading’ conduct suggesting that the patentee will not enforce patent

rights.”) (citations omitted). By failing to make this distinction, Google’s proposed instruction conflates the standard for these very different defenses and likewise misleads the jury.

Second, to prove the existence of an implied license, the defendant must show that the device purchased from the plaintiff has no non-infringing uses. *Glass Equip. Dev., Inc. v. Besten, Inc.*, 174 F.3d 1337, 1342 (Fed. Cir. 1999) (“When, as here, a party argues that the sale of a device carries with it an implied license to use that device in practicing a patented invention, that party has the burden to show that, *inter alia*, the purchased device has no noninfringing uses.”); *Met-Coil*, 803 F.2d at 686 (“First, the equipment involved must have no noninfringing uses.”). Google’s proposed instruction omits this key component.

Lastly, the third paragraph of Google’s proposed instruction, which directs the jury to determine the existence of an implied license based solely on the conduct of Oracle, is incorrect. To support an implied license defense, Google must also prove that it properly inferred Oracle’s consent to Google’s use of the patented invention or copyrighted works. *Wang*, 103 F.3d at 1580 (“Any language used by the owner of the patent, or any conduct on his part exhibited to another from which that other may properly infer that the owner consents to his use of the patent in making or using it, or selling it, upon which the other acts, constitutes a license and a defense to an action for a tort.”). Google’s proposed instruction neglects this important requirement and is therefore an incomplete statement of the law. In addition, this third paragraph is needlessly long and confusing, combining instructions on both patent and copyright. This paragraph also fails to acknowledge that Google has the burden of proving an implied license.

Oracle’s proposed jury instruction on implied license is a more accurate statement of the law and should be adopted.

V. DAMAGES INSTRUCTIONS

A. Disputed Jury Instruction No. 52 re Copyright – Actual Damages

Oracle and Google have both made stylistic changes to the model instruction. Oracle believes that its changes make clear to the jury that it may calculate actual damages for copyright infringement using either of two methods: hypothetical negotiation or lost profits. *See Polar Bear Productions, Inc. v. Timex Corp.*, 384 F.3d 700, 708 (9th Cir. 2004) (“Actual damages are

usually determined by the loss in the fair market value of the copyright, measured by the profits lost due to the infringement *or* by the value of the use of the copyrighted work to the infringer.”) (citations omitted) (emphasis added).

In addition, Google has added a full paragraph that does not appear in the model instruction. Google offers the following:

To collect actual damages, Oracle must establish with reasonable probability that the infringement caused it to lose revenue, and the amount of that lost revenue. You may not make an award of actual damages that is unduly speculative. If you conclude that Oracle would have incurred increased expenses related to its damages, such as increased overhead costs, you must deduct those expenses when calculating Oracle’s actual damages.

Oracle objects to this additional language. Stipulated Instruction No. 51, taken from the form, already provides that “Oracle is entitled to recover the actual damages suffered as a result of the infringement” and that “Oracle must prove damages by a preponderance of the evidence.” Both parties have additional causation language (“caused by the infringement”) in the second sentence of their competing versions of Instruction No. 52. Google’s additional language on causation is just for added emphasis, not for any proper purpose. In addition, neither *Polar Bear*, nor *Taylor v. Meirick*, 712 F.2d 1112, 1122 (7th Cir. 1983), contains the “reasonable probability” language of causation that Google urges. *Polar Bear*’s holding on causation is, in fact, considerably broader, requiring only a “causal link” or “causal nexus” between the infringement and actual damages: “From the statutory language, it is apparent that a casual link between the infringement and the monetary remedy sought is a predicate to recovery of both actual damages and profits.” *Polar Bear*, 384 F.3d at 708; *id.* at 711 (using “causal nexus”). Google’s language would encourage the jury to impose a burden of proof on causation that is more demanding than the law requires.

Google’s added language about deducting “increased costs” is confusing and unnecessary. Google is not proposing an instruction on the law, it is proposing an instruction on how Google would calculate lost profits as a matter of economics, once again emphasizing the element of the calculation that it would prefer the jury focus on. It would be equally proper to instruct the jury to consider scale economies that reduce costs as revenues increase, or network effects that reduce the cost of customer acquisition. Oracle does not seek instruction on these or other matters – they are

1 factual, and the experts and counsel can ably explain what “lost profits” are without the need to
 2 instruct the jury on a single element that might reduce that measure of damage.

3 **B. Disputed Jury Instruction No. 53 re Copyright – Damages – Hypothetical**
 4 **Negotiation**

5 Google and Oracle have each submitted an instruction to guide the jury as to how to
 6 calculate a reasonable royalty for Google’s copyright infringement. Oracle’s instruction largely
 7 tracks its proposed instruction for calculating a reasonable royalty for patent infringement. This
 8 makes sense as a matter of law, and as a matter of economics. The Ninth Circuit has held that a
 9 copyright holder may seek a hypothetical license fee as damages for infringement, *Polar Bear*,
 10 384 F.3d at 708-09. Nothing in the language or policy of the Copyright Act suggests that an
 11 infringer such as Google should be able to evade that remedy, by arguing that it would never have
 12 paid for, or the copyright owner never would have given up, what the infringer actually
 13 misappropriated. Yet that is Google’s argument. As a matter of economics, it makes no sense to
 14 say that a copyright license is valued one way, yet a patent license is valued another way. Yet
 15 that is also Google’s argument.

16 Thus, Google would instruct the jury that “[t]o recover a lost license fee, Oracle is
 17 required to show that the parties would have agreed to license the use of the copyrighted works at
 18 issue.” Google also seeks an instruction that the license value “must be based on objective
 19 measurements, such as evidence of other Oracle licenses for similar use of the work and
 20 benchmark licenses for comparable uses of comparable works.” Google persists in citing a
 21 September 1, 2011, Order by Judge Hamilton in *Oracle v. SAP* as authority for these propositions.
 22 But Google is wrong. As Oracle has pointed out in prior briefing in this case, Judge Hamilton
 23 herself clarified the September 1 Order on which Google relies, stating:

24 The court did not hold as a matter of law . . . that copyright damages based upon the
 25 amount a willing buyer would reasonably have paid a willing seller under a hypothetical
 26 license are available only if the copyright owner provides evidence of actual licenses it
 27 entered into or would have entered into for the infringed works, and/or actual
 28 “benchmark” licenses entered into by any party for comparable use of the infringed or
 comparable works.

1 *Oracle USA, Inc. v. SAP AG*, No. C07-1658 PJH, at Dkt. No. 1088 (September 16, 2011). She
 2 further clarified that “evidence of licenses previously negotiated” is **one way** to prove an
 3 objective, non-speculative license price. It is not the only way.

4 Google’s instruction risks misleading the jury into the belief that, unless Oracle can show
 5 that Sun and Google in 2006 would have bargained for a license that would permit Google’s
 6 actual use of the Java-related copyrights (a fragmenting use that harms the Java platform and
 7 excludes Sun from the ecosystem), a license fee is unavailable. That statement of the law would
 8 not, however, measure the “actual damages suffered by [Oracle] as a result of the infringement.”
 9 17 U.S.C. § 504(b). In *On Davis*, the Second Circuit held that § 504(b) “permits a copyright
 10 owner to recover actual damages, in appropriate circumstances, for the fair market value of a
 11 license **covering the defendant’s infringing use.**” *On Davis v. The Gap, Inc.*, 246 F.3d 152, 172
 12 (2d Cir. 2001). Google’s instruction also risks misleading the jury into believing that Google
 13 should have to pay no more now, after gambling on litigation, than it did in 2006. Google’s
 14 instruction that a lost license fee should not turn on “what [Oracle] thought it should have
 15 obtained” sounds like authorization to reject any offer that Google didn’t accept. That is not the
 16 law. *Polar Bear*, 384 F.3d at 709 (“Having taken the copyrighted material, Timex is in no better
 17 position to haggle over the license fee than an ordinary thief and must accept the jury’s valuation
 18 unless it exceeds the range of the reasonable market value.”)

19 Google insists that a copyright hypothetical license may not be evaluated with reference to
 20 the *Georgia-Pacific* factors, but there is no principled reason why that would be so, and Google
 21 cites no binding authority for that proposition. The *Georgia-Pacific* factors are simply those that
 22 economically rational bargaining parties would take into account when trying to reach an
 23 agreement. Indeed, a host of copyright cases considering actual damages have examined factors
 24 that, in the aggregate, look a lot like the *Georgia-Pacific* list. *Polar Bear*, 384 F.3d at 708–09,
 25 *Jarvis v. K2*, 486 F.3d 526, 534 (9th Cir. 2007) (value of the infringing use to the infringer,
 26 bargaining history between the parties, expert testimony); *On Davis*, 246 F.3d at 166 n.5, 167–69
 27 (nature and extent of actual infringing use, term and scope of license, customary license rates);
 28 *McRoberts Software, Inc. v. Media 100, Inc.*, 329 F.3d 557, 566–67 (7th Cir. 2003) (actual and

1 projected sales, cost of developing comparable software, market share); *Getaped.com, Inc. v.*
 2 *Cangemi*, 188 F.Supp.2d 398 404, 405–06 (S.D.N.Y. 2002) (infringing work’s “tendency to
 3 promote the sales of other products,” competitive relationship between parties).

4 Finally, Google would instruct the jury that in valuing a copyright license, in contrast to
 5 its patent instruction, “[t]he fair market value cannot be based on evidence of things that
 6 happened after the infringement began.” In fact, the fair market value, as a matter of economics
 7 and as a matter of law, should include evidence of subsequent events, “to the extent that it sheds
 8 light on what the parties would have anticipated at the time of the hypothetical negotiation.” That
 9 is the language that the parties have agreed to in Instruction No. 56, for patents damages, and
 10 Google offers no principled justification for its exclusion here.

11 **C. Disputed Jury Instruction No. 54 re Copyright – Damages – Defendant’s**
 12 **Profits**

13 Oracle’s proposed instruction regarding Google’s infringer’s profits uses the language of
 14 the model jury instruction, with five necessary additions described below. Google’s changes to
 15 the model instruction (including its change to the title) are unnecessary and prejudicial—designed
 16 only to steer the jury toward Google’s case themes. The substantive areas of disagreement are as
 17 follows.

18 **First**, Oracle has modified the model instruction to note that avoided costs may count as
 19 infringer’s profits. This is a correct statement of the law. *Roeslin v. District of Columbia*, 921
 20 F. Supp. 793, 799 (D.D.C. 1995) (holding that under the infringer’s profits clause of 17 U.S.C. §
 21 504(b), “Costs that the defendant did not incur because it infringed a copyright are considered
 22 profits for this purpose.”) (citations omitted). The instruction is necessary and appropriate here
 23 because, based on the report of its copyright damages expert, Alan Cox, Google intends to present
 24 evidence and argument that Android has no profits at all, and that this assertion, if true, would
 25 eliminate the possibility of infringer’s profits. At the same time, Google concedes that it is
 26 possible to measure the amount by which Google’s supposed losses were decreased by Google’s
 27 acts of copyright infringement. The jury should be instructed that these avoided losses represent
 28 infringer’s profits recoverable by Oracle.

1 **Second**, Oracle has modified the model instruction to instruct the jury not to deduct
 2 Google's overhead if it finds that the infringement was willful. This is a correct statement of law.
 3 A willful infringer may not deduct certain fixed expenses from the statutorily authorized award of
 4 infringers' profits. *See, e.g., Frank Music Corp. v. MGM, Inc.*, 772 F.2d 505, 515 (9th Cir. 1985)
 5 ("A portion of an infringer's overhead properly may be deducted from gross revenues to arrive at
 6 profits, ***at least where the infringement was not willful, conscious, or deliberate***") (emphasis
 7 added); *Saxon v. Blann*, 968 F.2d 676, 681 (8th Cir. 1992) ("Overhead may not be deducted from
 8 gross revenues to arrive at profits when an infringement was deliberate or willful.") (citing *Frank*
 9 *Music*); *Sheldon v. MGM Pictures, Corp.*, 106 F.2d 45 (2d Cir. 1939), *aff'd*, 309 U.S. 390 (1940)
 10 ("a plagiarist may not charge for his labor in exploiting what he has taken"); *Kamar Int'l, Inc. v.*
 11 *Russ Berrie & Co.*, 752 F.2d 1326, 1331 (9th Cir. 1984) (citing *Sheldon*). Google has in fact
 12 claimed these fixed expenses, and the jury must be instructed that it is not entitled to do so if its
 13 infringement was willful.

14 **Third**, Oracle added a sentence explaining that Google's gross revenue "includes
 15 advertising or other revenues with a causal relationship to Google's copyright infringement."
 16 This addition is appropriate given Google's repeated efforts to confuse the issue of revenue and
 17 profit by arguing that it gives Android away for "free."

18 **Fourth**, Oracle has added a clause to the explanation of the types of expenses that can be
 19 deducted, "Expenses are all operating costs, overhead costs, and production costs that were
 20 incurred by Google and of actual assistance in producing the gross revenue." This instruction is
 21 necessary to clarify to the jurors that they are not to deduct all Google expenses, or even all
 22 Android expenses. Rather, "a deduction for overhead should be allowed 'only when the infringer
 23 can demonstrate that [the overhead expense] was of actual assistance in the production,
 24 distribution or sale of the infringing product.'" *Frank Music Corp. v. Metro-Goldwyn-Mayer,*
 25 *Inc.*, 772 F.2d 505, 516 (9th Cir. 1985) (alteration in original, citation omitted).

26 **Fifth**, Oracle has added the statement, "if you find that Google committed an act of
 27 copyright infringement in the United States, Oracle is entitled to recover all of Google's profits
 28 attributable to that act of infringement, including profits Google earned because its infringement

1 resulted in further copying by others, regardless of where that further copying occurred.” Once
 2 again, this is a correct statement of law. *Los Angeles News Serv. v. Reuters Television Int’l, Ltd.*,
 3 149 F.3d 987, 992 (9th Cir. 1998) (*Reuters III*); *see also Los Angeles News Serv. v. Reuters*
 4 *Television Int’l, Ltd.*, 340 F.3d 926, 932–33 (9th Cir. 2003) (clarifying *Reuters III*’s holding to
 5 apply to infringer’s profits). The jury will be instructed as to the extraterritorial limitation for
 6 patent damages. (See Stipulated Jury Instruction # 37.) If they are not instructed as to the
 7 difference, the jury could mistakenly conclude that they may not award damages for Google’s
 8 overseas profits that flow from domestic acts of copyright infringement. Oracle’s modification
 9 will ensure that the standards are properly differentiated.

10 Google’s changes mis-state or distort the applicable law by repeating concepts that
 11 already appear in the instruction, but that Google would like to emphasize to the jury. Thus,
 12 Google’s instruction twice states that Oracle must establish a causal relationship between the
 13 infringer’s revenues and the infringement, and the further notes that Oracle must prove Google’s
 14 revenues by a preponderance of the evidence. Having emphasized repeatedly Oracle’s burden,
 15 Google adds a lengthy series of sentences that effectively water down its own burden, stressing to
 16 the jury that “Google is not required to establish with certainty the portion attributable to the non-
 17 infringing elements. If the evidence suggests some division that may rationally be used to decide
 18 what portion of the profits are due to factors other than infringement, it is your duty to do so.” An
 19 evidentiary burden that requires no more than a suggestion that “some division” can be made
 20 relieves Google of its statutory burden under 17 U.S.C. § 504(b). Moreover, in amending the
 21 form instruction, Google offers no parallel instruction concerning any uncertainty about Oracle’s
 22 proof, implying incorrectly and yet again that Oracle’s burden of proof and causation is somehow
 23 greater than Google’s.

24 **D. Disputed Jury Instruction No. 55 re Patent – Damages – Burden of Proof**

25 The only issue in dispute for this instruction is how the patents shall be identified. *See*
 26 Section III.A.1, above. It is otherwise stipulated.

E. Disputed Jury Instruction No. 56 re Patent – Reasonable Royalty – Definition

Oracle and Google agree on certain modifications to the model jury instructions for a hypothetical negotiation, which need not be spelled out here. Oracle’s remaining modification to the model jury instructions for a reasonable royalty is minor, and correct. Oracle has modified the Northern District model jury instruction to ensure that the jury understands that the hypothetical license fee must “grant[] Google the right to make, use, and sell the patented inventions in the manner that it actually did.” Google’s instruction contains much the same language: a royalty provides the licensee the right to “make, use or sell the claimed invention in the manner in which defendant made, used or sold it.” Both are correct statements of the law; the hypothetical license must compensate for “for the use made of the invention by the infringer.” 35 U.S.C. § 284. Oracle’s modification is plainer, however, and will be easier for the jury to understand and apply correctly.

Google’s other modifications, in contrast, insert incorrect statements of the law. Google has requested that the following paragraph be added:

In determining a reasonable royalty, you may not award damages based on Google’s entire revenue from the accused products. Instead, you may award damages based only on the revenue that is attributable to the use of the patented technology in infringing feature(s) of a product. In addition, you may not award damages based on Google’s revenue from products that you do not find to have infringed.

First, and most importantly, Google’s instruction would be improper under the facts of the case and Federal Circuit law. In their licensing negotiations in 2006, the parties actually discussed and negotiated over a license based on Google’s Android-enabled advertising revenues. Google’s instruction would require the jury to ignore the actual real-world evidence of the license that the parties actually considered. None of the cases Google cites support, much less require, such a result. Indeed, the law is the opposite. *Stickle v. Heublein, Inc.*, 716 F.2d 1550, 1561–63 (Fed. Cir. 1983) (overturning royalty determination where “notably absent from [the court’s] findings is any consideration of the actual negotiations between the parties”); *Univ. of Colorado Found., Inc. v. Am. Cyanamid Co.*, 216 F. Supp. 2d 1188, 1197 (D. Colo. 2002) *aff’d*, 342 F.3d 1298 (Fed. Cir. 2003) (“A hypothetical negotiation should take into account the actual facts as they occurred in the matter both before and after the hypothetical negotiations would occur.”).

1 **Second**, Google’s proposed instruction is incorrect and contradicts an order of this Court
2 in this case: “Any valuation of Android must take [Google’s] business model into account,” and
3 “Google is incorrect in asserting that the overall value of Android is irrelevant and is further
4 incorrect in asserting that advertising revenues have nothing to do with the overall value.” (Dkt.
5 No. 230 at 9.) The language is not needed because the Court also has instructed Oracle that it
6 must apportion damages, and that is exactly what Oracle’s expert has done. Although Google
7 may dispute the amount of the apportionment, there is no dispute as to the principle or whether it
8 has been applied.

9 **Third**, Google is essentially trying to instruct the jury that the entire market value rule –
10 which the jury will have no inkling of – should not apply in this case. But that instruction is
11 irrelevant now that the Court has identified a structure for calculating a reasonable royalty based
12 on the parties’ real world “starting point,” apportioned and adjusted in light of various factors,
13 and both parties have accepted that structure as appropriate. In light of that agreed structure,
14 which starts with a real world negotiation that included a share of all Android advertising
15 revenue, an instruction about the entire market value rule is a non sequitur that can only mislead.

16 Google also has proposed a modification that would instruct the jury that “The amount of
17 the reasonable royalty should not exceed the profit that Google would have reasonably expected
18 to realize by using the patented invention.” That is actually the opposite of what the law requires.
19 “[A]lthough an infringer’s anticipated profit from use of the patented invention is among the
20 factors to be considered in determining a reasonable royalty, ***the law does not require that an***
21 ***infringer be permitted to make a profit.***” *Monsanto Co. v. Ralph*, 382 F.3d 1374, 1384 (Fed. Cir.
22 2004) (citing *Georgia-Pacific*, 318 F. Supp. at 1120) (internal punctuation omitted; emphasis
23 added). Google should not be permitted to place a cap on a reasonable royalty that the law does
24 not permit.

25 Google also has proposed to instruct the jury that a reasonable royalty should not “exceed
26 the incremental cost of a non-infringing substitute, if any, available at the time of the hypothetical
27 negotiation.” It is unclear what Google means by this language, and even less clear what the jury
28 will understand it to mean. It should not be included in the instruction.

1 What the instruction appears to suggest is another avenue for Google to argue that there
2 must be a hard ceiling on the amount of the royalty, as determined by some accounting figure.
3 Once again, that is not the law. *Monsanto*, 382 F.3d at 1384.

4 To the extent it is intelligible, Google's formulation not only appears to cap the amount of
5 the royalty, it does so arbitrarily. It is certainly relevant to a negotiation consider the available
6 alternatives – if any existed – and their costs and benefits. But cost savings is just “one element
7 in constructing the reasonable royalty.” *Smith Int'l, Inc. v. Hughes Tool Co.*, 1986 WL 4795, *23
8 (C.D. Cal Mar. 12, 1986) (citing *Alpine Valley*, 718 F.2d at 1080-81); *see also Deere & Co. v.*
9 *Int'l Harvester Co.*, 710 F.2d 1551, 1558 (Fed. Cir. 1983) (upholding reasonable royalty rate
10 which included costs savings and increased profitability); *Funai Elec. Co., Ltd. v. Daewoo Elec.*
11 *Corp.*, 595 F.Supp.2d 1088, 1107 (upholding reasonable royalty rate based on estimated cost-
12 savings and the value of the patented technology to the infringer); *cf. Stickle v. Heublein, Inc.*,
13 716 F.2d 1550, 1563 (Fed. Cir. 1983) (“[T]he trial court may award an amount of damages
14 greater than a reasonable royalty so that the award is adequate to compensate for the
15 infringement.”).

16 But the “incremental cost of a non-infringing substitute” bears no relationship to the value
17 of the intellectual property that was misappropriated. Rather, it would seem to represent one
18 element of the infringer's costs of walking away from the negotiating table. For example, if the
19 value of the patent license Google took is, as Prof. Cockburn opines, approximately \$200 million,
20 and Google were to offer evidence that it could have built an inferior, non-infringing version of
21 Android for \$300 million, damages would not be \$100 million. They would be exactly what
22 Oracle claims. But Google's instruction suggests something different, and economically
23 irrational.

24 In support of its instruction, Google cites *Grain Processing Corp. v. Am. Maize Prods.*
25 *Co.*, 185 F.3d 1341, 1348-51 (Fed. Cir. 1999) and *Hanson v. Alpine Valley Ski Area, Inc.*, 718
26 F.2d 1075, 1080-81 (Fed. Cir. 1983). However, neither case establishes a rule that the amount of
27 reasonable royalty should be limited to the infringer's cost savings. In *Grain Processing*,
28 reasonable royalty is discussed only in *dicta* by the Federal Circuit in describing the lower court's

1 decision to deny lost profits and cap the reasonable royalty award to an amount that was
 2 approximately 130% of the total cost of using the alternative. The Federal Circuit emphasized
 3 that this award was directly tied to the lower court's finding that "buyers viewed [the non-
 4 infringing alternative] as an equivalent." 185 F.3d at 1347. Similarly in *Hanson Valley*, the
 5 Federal Circuit affirmed the lower court's award of a reasonable royalty rate based on the
 6 infringer's cost saving when it concluded that other methods of calculating the royalty were
 7 unavailable and where expert testimony established that both parties in an arm's length license
 8 negotiation would have accepted a license that was a function of the defendant's anticipated cost
 9 savings. 718 F.2d at 1077, 1080.

10 Thus, it was only in considering all of the factors that a willing licensor and licensee
 11 would have considered in a hypothetical negotiation that the courts in *Grain Processing* and
 12 *Hanson Valley* determined that cost-savings was an appropriate factor in determining a
 13 reasonable royalty. Accordingly, both decisions are in line with established case law that cost
 14 savings is just one element in constructing a reasonable royalty – not a cap.

15 **F. Disputed Jury Instruction No. 57 re Patent – Reasonable Royalty – Relevant**
 16 **Factors**

17 Oracle requests an instruction listing the *Georgia-Pacific* factors. Google has objected to
 18 such an instruction, claiming that the factors "have the potential to confuse and mislead." But
 19 this Court has already disagreed with Google. In its *Daubert* Order, July 22, 2011, the Court
 20 wrote, "the normal *Georgia-Pacific* factors, which have been approved by the Court of Appeals
 21 for the Federal Circuit ***and which are more understandable to the average fact-finder***, will guide
 22 our reasonable royalty analysis." (Dkt. No. 230 at 13–14 (emphasis added)) The Federal Circuit
 23 also disagrees with Google. Not only has that court "consistently upheld experts' use of a
 24 hypothetical negotiation and *Georgia-Pacific* factors for estimating a reasonable royalty," *i4i Ltd.*
 25 *P'ship v. Microsoft Corp.*, 598 F.3d 831, 854 (Fed. Cir. 2010), *aff'd on other grounds*, 131 S.Ct.
 26 2238 (June 9, 2011) (citations omitted), but the Federal Circuit Bar Association model
 27 instructions contains a list of the *Georgia-Pacific* factors—a model that Oracle uses with almost
 28

1 no modification. In fact, this Court has used a *Georgia-Pacific* instruction in at least one patent
 2 case. *Norian Corp. v. Stryker Corp.*, No. C01-00016-WHA, 2002 WL 34415032, Instr. XXXIX.

3 Both Oracle's and Google's damages experts have submitted reports outlining the
 4 application of the *Georgia-Pacific* factors to this case, and an instruction providing the jury with
 5 the signposts to the experts' analysis will make their testimony more comprehensible to the jury.
 6 By contrast, Google's approach—selectively calling out some, but not all, of the relevant factors
 7 in the general hypothetical-license instruction—creates a risk that the jury will be misled into
 8 thinking that Google's preferred factors are more important than those that it chose not to
 9 emphasize. That is a proposition that courts have squarely rejected. “We need not identify any
 10 particular *Georgia-Pacific* factor as being dispositive. Rather, the flexible analysis of all
 11 applicable *Georgia-Pacific* factors provides a useful and legally-required framework for assessing
 12 the damages award in this case.” *Lucent Technologies, Inc. v. Gateway, Inc.*, 580 F.3d 1301,
 13 1335 (Fed. Cir. 2009), *cert. denied*, 130 S. Ct. 3324 (2010)

14 15 **G. Disputed Jury Instruction No. 58 re Patent – Damages – Extraterritorial Acts**

16 For patent infringement, Google proposes to instruct the jury that “The patent laws do not
 17 operate beyond the limits of the United States. You may not find Google liable for, or award
 18 damages based on, any making, using, selling, or offering to sell the accused product in other
 19 countries.”

20 Oracle objects to this instruction. First, it is an overbroad and incorrect statement of the
 21 law. For example, Oracle has asserted claims for indirect infringement, and Google may be held
 22 liable if it has induced third parties to import infringing products into the United States, even if
 23 those products were manufactured elsewhere. *See, e.g., Spindelfabrik Suessen-Schurr v. Schubert*
 24 *& Salzer Maschinenfabrik Aktiengesellschaft*, 903 F.2d 1568, 1578 (Fed. Cir. 1990);
 25 *Semiconductor Energy Laboratory Co. Ltd. v. Chi Mei Optoelectronics Corp.* 531 F.Supp.2d
 26 1084, 1112 (N.D. Cal. 2007). Google's instruction may confuse jurors into believing that such
 27 conduct is not infringing.
 28

1 Second, the instruction is not necessary. Oracle's expert, Prof. Cockburn, has excluded
 2 Google's United States revenues from his patent damage calculations. Given that the damages
 3 experts agree that this is appropriate, the dispute for the jury, if any, will simply be the proper
 4 division of US and non-US revenues.

5 **H. Disputed Jury Instruction No. 59 re Patent – Damages – Date of**
 6 **Commencement**

7 Google's oversimplified instruction regarding notice is incorrect and incomplete, and it
 8 will mislead the jury. Oracle's proposed instruction, on the other hand, lays out the specific rules
 9 to be applied on a patent-by-patent basis. Oracle's proposed language is the most helpful and
 10 should be adopted.

11 At the outset, Google misrepresents the basic law on patent damages. The statement:
 12 "[i]n all cases, damages should be calculated from the earliest date, after each patent issued, that
 13 Google received actual written notice of the particular patent and the specific product alleged to
 14 infringe" is not correct. Actual notice need not be given in every case, and in any event the
 15 precise form of that notice is not specified. For example, as explained in Oracle's proposed
 16 instruction, actual notice may be satisfied by an offer to license the patent. *See SRI Int'l, Inc. v.*
 17 *Advanced Tech. Labs., Inc.*, 127 F.3d 1462, 1470 (1997) ("Although there are numerous possible
 18 variations in form and content, the purpose of the actual notice requirement is met when the
 19 recipient is notified, with sufficient specificity, that the patent holder believes that the recipient of
 20 the notice may be an infringer. Thus, the actual notice requirement of § 287(a) is satisfied when
 21 the recipient is informed of the identity of the patent and the activity that is believed to be an
 22 infringement, accompanied by a proposal to abate the infringement, whether by license or
 23 otherwise."); *see also Ralston Purina Co. v. Far-Mar-Co., Inc.*, 772 F.2d 1570, 1577 (Fed. Cir.
 24 1985) ("The offering of a license is actual notice.") (citing *Leinoff v. Louis Milona & Sons, Inc.*,
 25 726 F.2d 734, 743 (Fed. Cir. 1984). Even Google itself has admitted that it received **actual** notice
 26 of all the Java-related patents no later than July 20, 2010. ECF No. 521 at 3, Letter re: précis on
 27 marking issues (October 12, 2011) ("Google contends Oracle first gave Google actual notice of
 28 the patents-in-suit on July 20, 2010").

1 By requiring the trier of fact to first determine whether “Oracle makes, sells, or offers to
 2 sell or Sun made, sold or offered to sell a product that embodies each patent” Google’s instruction
 3 also improperly suggests that Oracle must practice each and every claim of the asserted patents in
 4 order to collect damages. But Oracle is entitled to damages regardless of whether it practices
 5 every claim. *Toro Co. v. McCulloch Corp.*, 898 F. Supp. 679, 682 (D. Minn. 1995) (holding that
 6 § 287(a) does not “limit recovery in a patent infringement action when an unmarked article,
 7 which has been made or sold, contains one of the inventions disclosed in the patent but does not
 8 contain the invention of the predicate suit”).

9 Lastly, Google’s instruction states only that a patentee may mark its patented product, but
 10 it does not explain what that means in the context of this case. For example, Oracle is not
 11 required to mark products covered by patents where only method claims are asserted. *Hanson v.*
 12 *Alpine Valley Ski Area, Inc.*, 718 F.2d 1075, 1082-83 (Fed. Cir. 1983) (holding that the marking
 13 requirement of 35 U.S.C. § 287(a) does not apply when only method claims are asserted); *see*
 14 *also Crown Packaging Tech., Inc. v. Rexam Beverage Can Co.*, 559 F.3d 1308, 1310, 1317 (Fed.
 15 Cir. 2009).

16 Oracle’s proposed instruction takes the guesswork out of how these standards apply to the
 17 various asserted patents, it properly reflects the relevant legal principles, and it should be adopted.

18
 19
 20 Dated: October 14, 2011

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